



# HOUSING FOR A **FAIR CHARLESTON**

A 5-YEAR SUSTAINABLE AND  
INCLUSIVE GROWTH FRAMEWORK



# TABLE OF CONTENTS

## I. Introduction

A. Executive Summary	7
B. Guiding Values	8
C. Guiding Orientations	10
D. Report Key Terms & Acronyms	12

## II. Defining Charleston's Affordable Housing Crisis

A. Charleston's State of Housing	16
-Charleston is in a Housing Crisis	16
-Charleston's Households are Cost Burdened	18
-Cost of housing is rising faster than wages	20
-Charleston's housing supply is not meeting demand	22
B. So...what is going wrong?	24
C. Two Categories of Barriers to Building Affordable Housing	26
-Major Barrier 1: Cost	28
-Major Barrier 2: Attitudes	30
D. SWOT Analysis	36

## III. Charleston's Affordable Housing Toolkit

A. Introduction	40
B. Zoning/Policy Tools	44
C. Funding Tools	68
D. Education/Empathy Building Tools	92
E. Capacity Building Tools	112

## IV. Implementation Plan

A. Introduction	132
B. Implementation Matrix	134

## V. Appendices

A. Appendix A	150
B. Appendix B	152
C. Appendix C	154





Chapter One

# INTRODUCTION

## ***Acknowledgments:***

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- The Mayor's Office
- Planning, Preservation and Sustainability
- Housing and Community Development
- Charleston Civic Design Center
- Business and Neighborhood Services
- Traffic and Transportation

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# EXECUTIVE SUMMARY

Charleston is at a crossroads. The city is experiencing tremendous growth - a population boom, recognition as a top tourist destination, an influx of new industry and startup activity - it is not difficult to recognize the burgeoning landscape of opportunities that are rising in the city. However this growth has also launched the city into a housing crisis that has made the area an increasingly difficult place to live and afford for long standing residents. There is tremendous opportunity for the City of Charleston and greater community to leverage existing efforts aimed at addressing the affordability crisis and collaborate to enact bold and innovative policies. This report hopes to be the first step in this process.

In the first chapter this report outlines some key guiding principles and values for approaching an affordable housing framework plan in Charleston. In the second chapter this report details the key facts and figures around Charleston's affordable housing crisis - because a deeply rooted understanding of the problem sparks innovative solutions. In the third chapter, this report provides a toolkit of thirty five policy and programming strategies to address Charleston's affordable housing crisis. These tools are divided into four sections: Planning/Zoning, Funding, Empathy/Education, and Capacity Building. The strategies provided include the following:

## **Planning/Zoning Tools:**

- Zoning incentives
- Expedited processing, Fee Waivers, Reduced Parking
- Inclusionary Zoning
- ADU (Accessory Dwelling Units) and Tiny Homes
- STR (Short Term Rentals) Zoning Provisions
- RAD (Rental Assistance Demonstration)
- City Land Banking
- CLT (Community Land Trust)
- Historic Preservation and Cultural Districts
- TOD (Transit Oriented Development)

## **Funding Tools:**

- Affordable Housing Trust Fund
- Affordable Housing Bonds
- Levying a Penny Tax
- Fee in Lieu & Impact Fees
- TIF (Tax Increment Finance)
- Tax Credits
- Tax Abatements & The Bailey Bill
- Opportunity Zones
- HUD Programs
- Philanthropic Funding

## **Empathy/Education Tools:**

- Housing Education & Counseling Programs
- Eviction Mitigation Services
- Participatory Public Art Projects
- Block Parties
- Participatory Mapping
- Social Media Campaigns
- Storytelling Projects
- Dinner Parties

## **Capacity Building Tools:**

- Office of Strategic Initiatives
- City Realtor and Land Acquisition Task Force
- Housing Partnership Network
- Employer Assisted Housing
- Affordable Housing Preservation Dashboard
- Housing Data Coalition and Data Hackathons
- Neighborhood Typologies Data Framework

For each strategy the third chapter investigates the tool and recommends action items for the City of Charleston to take in order to execute or strengthen the usage of the recommended tool. And lastly, the fourth chapter of this report provides a path forward on how to implement the recommendations provided.

Carrying out these programs and solutions will not be easy. However, the urgency of these challenges demands swift action to create the policies that ensure that Charleston's future is one that includes not just those who are moving in, but also the long term residents who are critical to the fabric and future of the city.

# GUIDING VALUES

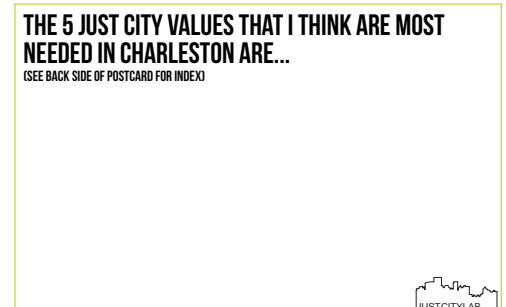
<sup>1</sup>  
https://www.  
designforthejustc-  
ity.org/

It is critical that this report is founded on a shared value proposition and a belief that places are more thoughtfully designed when community values are put first. In order to help provide a framework for devising these guiding values, the H4FC report team researched how other designers and planners were approaching the process of creating shared value propositions.

One organization that explicitly is looking into this is the Just City Lab, founded by Toni L. Griffin at Harvard Graduate School of Design. The lab investigates the ways design and planning contribute to conditions of justice and injustice in our cities. The lab has produced the Just City Index, a framework of 50 values, to be used as

a tool for communities to establish their own definition and principles for what values are most needed in their city to combat conditions of injustice.<sup>1</sup>

Using the Just City Lab's publicly available tools, twenty-five City of Charleston public officials, including the Mayor, were shown the below index of 50 values and asked to take part in a survey to help choose the guiding values for this report. The survey results revealed four values that were most highly prioritized: *Fairness, Acceptance, Mobility* and *Resilience*. These four values make up the backbone of this report, and guide the recommendations made in future chapters. This framework plan strives to embed itself within the following four values:



The Just City Index and sample surveys distributed to city officials

## 1. **FAIRNESS** // impartial and just treatment or behavior without favoritism or discrimination

The first and foremost value of this plan is the idea of fairness – that every member of the Charleston community deserves to have access to attainable and safe housing.

Embedded in this value are two other key principles: equity and equality. While often used interchangeably, these two terms are very distinct in their meaning.

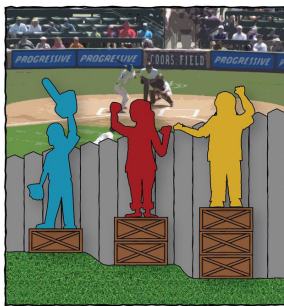
At its core, *equity* refers to the ideas of providing access to the same opportunities whereas *equality* refers to giving all people the same resources (see the below diagram for a visual representation of the nuance between these two terms).

This report focuses on the importance of *equity*, of acknowledging that there are inherent inequalities present in our society that makes things more difficult for some (in the image below this is represented by the uneven fence).

The tools laid out in this plan are like the crates in the below image of “equity”; fundamentally the plan aims to provide the mechanisms that ensure Charleston’s residents receive the right and fair amount of resources to obtain affordable housing.



**EQUALITY**



**EQUITY**

Equality v. Equity diagram<sup>2</sup>

## 2. **ACCEPTANCE** // the action or process of being received as adequate or suitable, typically to be admitted into a group.

Acceptance is critical in ensuring that Charleston fosters a culture of inclusion and belonging for Charleston’s diverse population. When cities are inclusive of different perspectives, voices, and experiences, everyone benefits from the rich layers added to the community’s culture and fabric.

## 3. **MOBILITY** // the convenient proximity to, quality of, or connectivity to basic needs, amenities, choices, and decisions

Mobility encapsulates two concepts: access to basic needs and choices, and connectedness to different physical and social networks that tie people together. Every member of the Charleston community deserves to have access to opportunity which includes affordable housing, affordable transportation, quality education, and workforce opportunities. When community members have access to all of these elements, we can build healthy and vibrant neighborhoods.

## 4. **RESILIENCE** // the capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow no matter what kinds of chronic stresses and acute shocks they experience

Every member of the Charleston community deserves to feel secure in their current and future situation living in Charleston. The recent combination of extreme flooding events and the affordability crisis has led to the displacement of long term residents. It is critical that this plan is rooted in creating the infrastructure so that those who want to stay in Charleston have the choice to do so.

2  
Reference for  
image: <http://culturalorganizing.org/the-problem-with-that-equity-vs-equality-graphic/>



# GUIDING ORIENTATIONS

Between 2017–2018, the City of Charleston participated in the Bloomberg Harvard City Leadership Initiative. As part of the initiative, cities and their leadership team could choose one area of focus where they wanted to improve. Charleston choose the area of Cross Sector Collaboration during their engagement,

demonstrating a key goal in the city to better foster partnerships across stakeholders and sectors.

Continuing in this spirit, this framework plan strives to be embedded within the context of the following four guiding “orientations” around partnerships and collaboration:

## REGIONAL CONTEXT AND SCALING GOVERNMENT PARTNERSHIPS

While this plan lays out a framework for the city of Charleston, the affordable housing crisis is a regional and state issue, as well as a national endemic. This context cannot be ignored, and strategic partnerships with different regional, state and federal government agencies will be critical for the plan’s success.

## COMMUNITY PARTNERSHIPS:

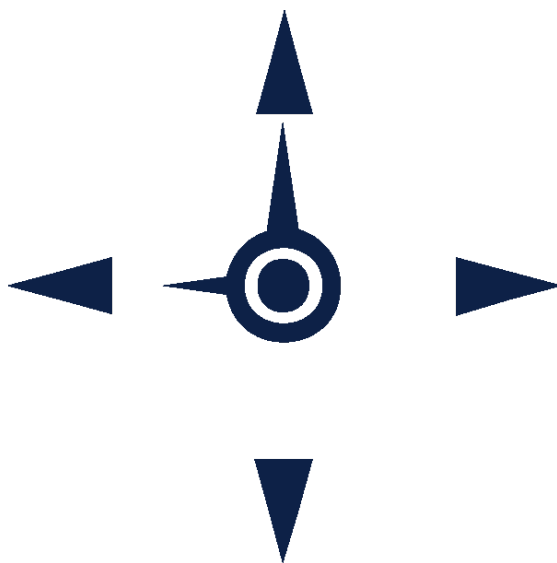
There are many local non-profit and community organizations that have dedicated their missions and energy to combating the affordable housing crisis. It is critical that the city support these efforts and continue to engage with these stakeholders as partners for future programs and policies.

## CROSS-DEPARTMENT CITY PARTNERSHIPS:

Affordable housing is inherently linked to many other factors such as economic development, transportation, resilient infrastructure, and neighborhood development. It is critical that this plan is engaged with public officials across different areas of expertise in the city.

## PRIVATE SECTOR PARTNERSHIPS

The scale of the issue of the affordability crisis cannot be addressed without the help and innovation of the private sector. Creative collaborations between the public and private sector will be critical for moving the needle for affordable housing in Charleston.



## A DEEPER LOOK AT THE RELATIONSHIPS BETWEEN SECTORS:

### RESILIENT AND SUSTAINABLE INFRASTRUCTURE:

As outlined in the Dutch Dialogues Charleston report, *where* new housing is developed and created is dependent on understanding the current ecological pressures within Charleston. An increase in flooding events demonstrates the importance to better understanding the environmental conditions when looking at areas and parcels to develop safe and affordable housing.

### ECONOMIC DEVELOPMENT:

As outlined in the city's "Plan West Ashley" affordable housing is inherently linked to wages, income and greater access to job opportunities. Creating more affordable housing opportunities is also tied to creating livable neighborhoods, with access to job opportunities and valuable neighborhood amenities such as grocery stores, pharmacies and quality schools.

### AFFORDABLE HOUSING DEVELOPMENT

### TRANSPORTATION:

As outlined in the city's "Plan West Ashley" affordable housing is inherently linked to access, mobility, and connectivity. Workers spend more money when they have long commutes, and Charleston has suffered from a "drive until you can afford it" mentality. Embedded in a plan for affordable housing must also be a plan for greater mobility and transportation opportunities.

# REPORT KEY TERMS & ACRONYMS

1  
<https://olympia-management.net/2017/08/difference-affordable-housing-public-housing/>

2  
[https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph](https://www.hud.gov/program_offices/public_indian_housing/programs/ph)

3  
<https://olympia-management.net/2017/08/difference-affordable-housing-public-housing/>

4  
<http://www.allgov.com/departments/departments-of-housing-and-urban-development?detailsDepartmentID=572>

5  
[https://pittsboronc.gov/vertical/sites/%7B512CE168-4684-4855-9CD9-7D209FE775E3%7D/uploads/Glossary\\_of\\_Terms.pdf](https://pittsboronc.gov/vertical/sites/%7B512CE168-4684-4855-9CD9-7D209FE775E3%7D/uploads/Glossary_of_Terms.pdf)

6  
Ibid

7  
[https://americas.uli.org/wp-content/uploads/sites/2/ULI-Documents/ULI\\_Attainable-Housing\\_F2.pdf](https://americas.uli.org/wp-content/uploads/sites/2/ULI-Documents/ULI_Attainable-Housing_F2.pdf)

**AFFORDABLE HOUSING<sup>1</sup>:** Generally refers to housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.

**PUBLIC HOUSING<sup>2</sup>:** Decent and safe rental housing owned by a housing authority and made available to eligible low-income households, the elderly, and persons with disabilities. Public housing comes in all sizes and types, from scattered single family houses to high-rise apartments for the elderly. Housing authorities have the discretion to establish eligibility preferences to reflect the needs in its own community.



## **IMPORTANT CAVEAT - THE DIFFERENCE BETWEEN AFFORDABLE AND PUBLIC HOUSING<sup>3</sup>:**

The terms public housing and affordable housing are often used interchangeably, however these two types of housing are quite different. Public housing, quite simply, is housing that is owned and/or managed *by the government* for the purpose of providing housing to low-income families. Affordable housing is any home, rented or owned, in which costs comprise less than 30 percent of the household income, and are *private* properties that are made available to lower-income families at less than market value. These units are not owned and/or managed by the government, however, jurisdictions can incentivize the creation of affordable housing through a variety of different subsidies and incentives (e.g. tax credits). This report focuses on creating and preserving *affordable housing*.

**HUD<sup>4</sup>:** The U.S. Department of Housing and Urban Development is a cabinet level agency that oversees federal programs designed to help Americans meet their housing needs. HUD seeks to increase homeownership, support community development and increase access to affordable housing free from discrimination.

**AREA MEDIAN INCOME<sup>5</sup>:** Used to define income eligibility, the AMI is determined on an annual basis by HUD.

**WORKFORCE HOUSING<sup>6</sup>:** Housing where the housing cost and utilities makes up no more than 30% of the gross household income for a *moderate-income* household. Workforce housing is generally used to refer to housing for households who make between 80% and 120% of the Area Median Income.

**ATTAINABLE HOUSING<sup>7</sup>:** Generally a more inclusive term to describe affordability at a range of different area median incomes. It is usually used to talk about housing where the housing cost and utilities makes up no more than 30% of the gross household income for households *earning up to 120%* of the City's median area income.

**GENTRIFICATION**<sup>8</sup>: Sociologist Ruth Glass coined the phrase “gentrification” in the 1960s to describe the turnover that occurs when upper-class “gentry” move into traditionally working-class neighborhoods. It is a phenomenon that has become the subject of much debate. There is no singular definition of the term, however the common thread through most definitions includes changing neighborhoods, increased development, rising housing costs and residential turnover. Part of the inconsistency in definitions of gentrification comes from the data used to measure changing neighborhood conditions. Some studies use changing income statistics, or changing demographic data (race, age, education attainment) to define if a neighborhood is gentrifying. When discussing the topic, it is important to stray away from a “one-size-fits-all” definition, and foster nuanced conversations for how and why local communities are experiencing neighborhood change.

**DISPLACEMENT**<sup>9</sup>: Displacement is when residents who are no longer able to afford living in their neighborhood move elsewhere. This is often a result of the impact of increasing housing prices in a neighborhood caused by neighborhood reinvestment and major infrastructure investments.

**NIMBY(Not-In-My-Backyard)**<sup>10</sup>: Describes the phenomenon in which residents of a neighborhood designate a new development (e.g. shelter, affordable housing, group home) or change in occupancy of an existing development as inappropriate or unwanted for their local area.

**ZONING**<sup>11</sup>: Zoning is a way of organizing a city into sections. That is, each area or lot will have a designated zoning regulation or ordinance, meaning only certain types of buildings or land usages will be allowed on that lot – often known as permitted land use (e.g. “residential” or “commercial”).

**STATE ENABLING LEGISLATION**<sup>12</sup>: State enabling legislation refers to a range of initiatives taken at the state level to make it possible, easier, or even encourage cities and/or counties to implement different housing policies (e.g. inclusionary zoning, housing trust funds).

**DRB**<sup>13</sup>: The Design Review Board (DRB), is a local board in Charleston, which convenes to “establish a review process that will protect and improve the visual and aesthetic character and economic value” of development within the City of Charleston.

**TRC**<sup>14</sup>: The Technical Review Committee (TRC) reviews site plans and subdivisions for compliance with City of Charleston codes.

**BAR**<sup>15</sup>: The Board of Architectural Review (BAR) was established in Charleston in 1931 with the creation of the first preservation ordinance in the United States. As stated in the City of Charleston Zoning Ordinance, the purpose of the board is “the preservation and protection of the old historic or architecturally worthy structures and quaint neighborhoods which impart a distinct aspect to the city.”

8  
Adapted excerpt from - <https://www.enterprisecommunity.org/blog/2018/10/many-definitions-gentrification>

9  
<https://www.citylab.com/equity/2015/09/the-complained-link-between-gentrification-and-displacement/404161/>

10  
<https://www.homelessshub.ca/solutions/affordable-housing/nimby-not-my-backyard>

11  
<https://www.gimme-shelter.com/zoning-land-use-50039/>

12  
<https://housing-trustfundproject.org/housing-trust-funds/state-housing-trust-funds/state-enabling-legislation-2/>

13  
<https://www.charleston-sc.gov/294/Design-Review-Board-DRB>

14  
<https://www.charleston-sc.gov/298/Technical-Review-Committee-TRC>

15  
<https://www.charleston-sc.gov/293/Board-of-Architectural-Review-BAR>





Chapter Two

# DEFINING CHARLESTON'S AFFORDABILITY CRISIS

# CHARLESTON IS IN A HOUSING CRISIS

1  
<https://www.charleston-sc.gov/DocumentCenter/View/518/Population-and-Housing?bidId=>

2  
[https://www.postandcourier.com/news/racial-shift-charleston-peninsula-s-makeup-reverses-in-years-with/article\\_69581977-ef00-5f6c-b969-edb7104344bb.html](https://www.postandcourier.com/news/racial-shift-charleston-peninsula-s-makeup-reverses-in-years-with/article_69581977-ef00-5f6c-b969-edb7104344bb.html)

3  
<https://www.curbed.com/2017/1/3/14431870/gentrification-cities-charleston>

4  
[https://www.postandcourier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article\\_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html](https://www.postandcourier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html)

5  
<https://www.merriam-webster.com/dictionary/crisis>

6  
<https://www.apia.org.nz/apia-blog/jonno-inger-son-the-housing-crisis>

7  
<https://www.merriam-webster.com/dictionary/crisis>

## BACKGROUND

Charleston has changed more dramatically during the past two decades than in any other 20-year period.<sup>1</sup> An influx of development in the 1980s and 1990s in the city's downtown has led to vast growth in the hospitality industry and a subsequent boom in tourism. This development was coupled with the rapid growth of the College of Charleston, which brought an influx of young students to the city.

Real estate prices began to soar and the city has seen dramatic demographic shifts. For example, the downtown changed from being over 60 percent black in the 1980s to being only roughly 30 percent black as of the 2010 census.<sup>2</sup> In 2017, Realtor.com put out a report which ranked Charleston as number one on the list of "fastest-gentrifying cities" in the U.S.<sup>3</sup>

With unattainable housing prices, stagnant wages and a swelling population, the Charleston region is quickly becoming a city where only the wealthy can afford to live.<sup>4</sup>

## WHAT IS A HOUSING CRISIS?

The term "housing crisis" has been used with increasing frequency on television programs, in newspaper outlets, and on radio shows; but what does this term actually mean, and is Charleston in a housing crisis?

At its core, the definition of the term *crisis* is "an unstable or crucial time or state of affairs in which a decisive and undesirable change is impending."<sup>5</sup> The phrase *housing crisis* is used to describe instability in the housing market.

In 2008, the housing crisis in the United States was defined by the rapid rate that people were losing their homes to foreclosures. Today, the term housing

crisis is defined by a variety of factors, and depends on the context of the state, region and city. For instance, a housing crisis can describe rapid increases in home prices or it can describe a severe housing shortage that leads to sharp increases in homelessness.<sup>6</sup>

When talking to residents it doesn't take long to see that Charleston's housing market is unstable. Teachers, doctors, service workers, firefighters, all are experiencing hardship when trying to find housing that is affordable for their households.

To most people living in the rest of the U.S., the image of Charleston is captured by the pristine images of the Lower Peninsula: beautiful cobble stone streets, historic structures, and colorful and intricate homes. However, this pristine image is a reality for very few, and is contrasted by images of structures in need of repair, owned by folks who can no longer afford to maintain their homes. Unfortunately, many residents who are critical to the fabric of the city are being pushed out.

A second definition of the word *crisis*, is defined as "a time when a difficult or important decision must be made."<sup>7</sup> Charleston has reached a point in its history where just that must happen: difficult and important decisions must be made. Over the next couple of pages we will explore the different factors that define Charleston's housing crisis. Through a deeper understanding of the causes of Charleston's affordability crisis, we will be better equipped to propose bold solutions.

*"I've looked out in Charleston, Summerville, Goose Creek, Moncks Corner, finding a house is awful. ... To be honest, I've never felt so discouraged."*

-Kaila Hodges, resident<sup>8</sup>

*"I feel like a lot of people are exhausting themselves just to pay rent."*

-Camille Rhoden, manager of a gear shop on King Street<sup>9</sup>



Downtown Charleston<sup>10</sup>

8  
[https://www.postandcourier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article\\_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html](https://www.postandcourier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html)

9  
Ibid

10  
<https://news.harvard.edu/gazette/story/2018/09/harvard-fellows-help-mayors-improve-lives-through-bloomberg-partnership/>

11  
<https://news.harvard.edu/gazette/story/2018/09/harvard-fellows-help-mayors-improve-lives-through-bloomberg-partnership/>



As real estate prices surge in downtown Charleston, many longtime owners can no longer afford to maintain their homes to the city's strict restoration standards and must choose between hanging onto an uninhabitable property or sell to developer<sup>11</sup>



# CHARLESTON'S HOUSEHOLDS ARE COST BURDENED

1  
[https://www.huduser.gov/portal/glossary/glossary\\_a.html](https://www.huduser.gov/portal/glossary/glossary_a.html)

2  
<https://www.census.gov/housing/census/publications/who-can-afford.pdf>

3  
[https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_featd\\_article\\_092214.html](https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html)

4  
<https://www.governing.com/gov-data/census/city-renter-population-housing-statistics.html>

5  
<https://htaindex.cnt.org/map/>

6  
Housing Attainability Fact Sheet, Charleston Chamber of Commerce  
<https://www.charlestonchamber.org/housing-attainability/>

## DEFINITIONS

The term **affordable housing** can feel obscure-affordable for whom? How is this determined?

HUD defines affordable housing as “housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.”<sup>1</sup> This 30% standard originated from the National Housing Act of 1937, and established a rule of thumb for the amount of income a family could spend and still have enough left over for other nondiscretionary spending.<sup>2</sup>

HUD defines anyone who is paying more than 30% of their income towards housing as **cost-burdened**. This typically describes families that may have difficulty affording other necessities such as food, health care, clothes, or transportation. A family who is **severely cost burdened** is defined as anyone paying more than 50% of their income towards housing.<sup>3</sup>

## COST BURDEN OVERVIEW

In 2017, of the total population of 125,335 people in Charleston, 42% of the population were renters and 54.4% of the population were homeowners<sup>4</sup>.

Approximately 1 in 3 Charleston homeowners and 1 in 2 Charleston renters are cost burdened. This means that a good portion of the Charleston population is having difficulty affording the basic necessities. Cost burden is also not contained to one or two neighborhoods in Charleston; as can be seen in the map to the right, residents in almost all neighborhoods are experiencing cost burden.

## THE IMPACT OF TRANSPORTATION COSTS

The other factor that is often overlooked when looking at statistics regarding affordability, is the combined cost of transportation and housing. When looking at the combination of these two factors, the average Charleston household is spending 56%<sup>5</sup> of their income on housing and transportation, leaving 44% of their income on healthcare, clothes, and food.

When looking at a low income household in Charleston, the combined transportation and housing cost jumps to 71%<sup>6</sup> showing the immense strain these two costs place on low income families.

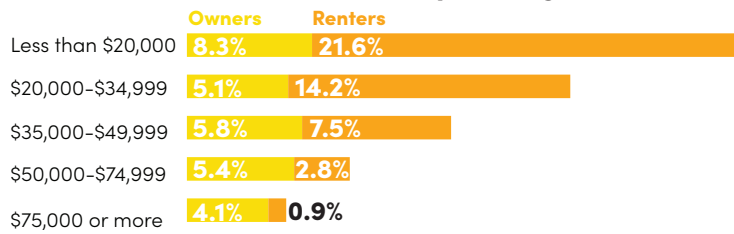
## HOW DOES THIS COMPARE TO OTHER CITIES?

When looking at these figures against Charleston's comparative markets - Raleigh, Greenville, Austin, Salt Lake City, Jacksonville, and Seattle - Charleston ranks highest in combined housing and transportation costs as well as percentage of renters and homeowners that are cost burdened.

## TAKEAWAYS

These figures show us that a large proportion of Charleston households are experiencing cost burdens. So why is this?

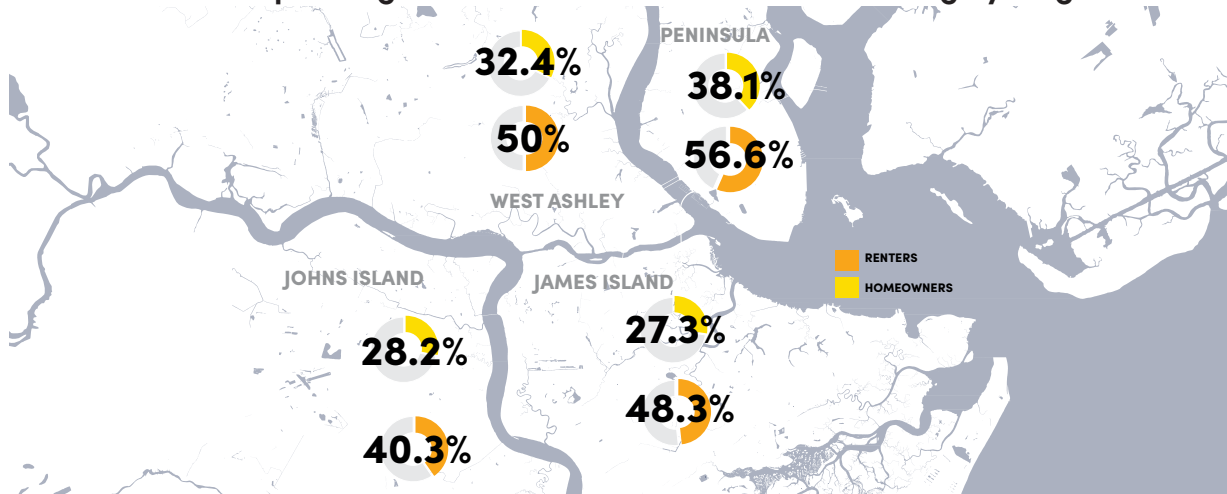
## 2016 Charleston Households spending 30%+ on Housing per month<sup>7</sup>



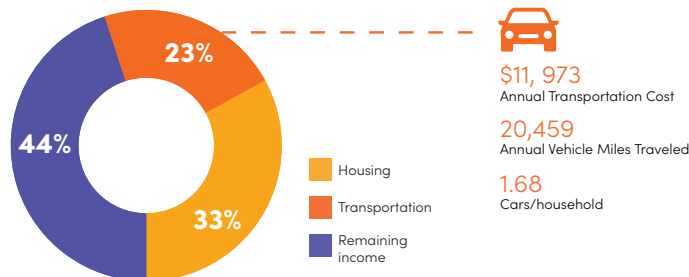
**28%** of homeowners are cost burdened

**49%** of renters are rent burdened

## Renters/Owners spending 30%+ of household income on housing by neighborhood<sup>8</sup>



## Transportation and Housing Costs<sup>9</sup>



**\$11,973**  
Annual Transportation Cost

**20,459**  
Annual Vehicle Miles Traveled

**1.68**  
Cars/household

The Average household spends

**56%**

of household income on housing & transportation

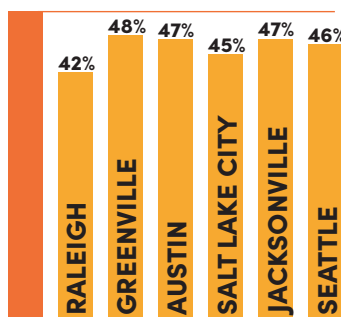
A low income household spends

**71%**

of household income on housing & transportation

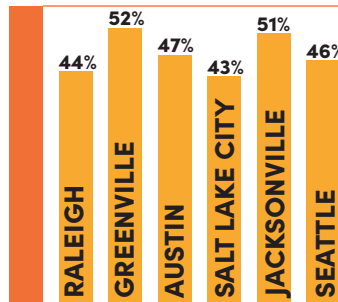
## % of Income spent towards Transportation & Housing Costs<sup>10</sup>

**56% CHARLESTON**



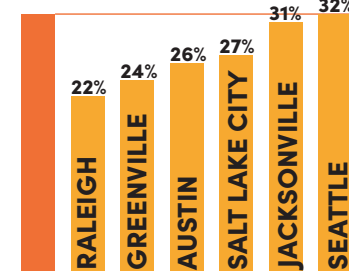
## % of Renters that are Cost burdened<sup>11</sup>

**52.3% CHARLESTON**



## % of Owners that are Cost burdened<sup>12</sup>

**32% CHARLESTON**



<sup>7</sup> Reference: US Census 2017 ACS 5 Year Estimates

<sup>8</sup> Reference: US Census 2017 ACS 5 Year Estimates

<sup>9</sup> Reference: Housing and Transportation Index

<sup>10</sup> Reference: Housing and Transportation Index

<sup>11</sup> Reference: 2016 US Census, Cost Burden rates by US Metros; <https://www.apartmentlist.com/rentonomics/cost-burdened-renters-2017/>

<sup>12</sup> Reference: 2016 US Census, Cost Burden rates by US Metros; <https://www.apartmentlist.com/rentonomics/cost-burdened-renters-2017/>



# RENTS AND HOME PRICES ARE RISING FASTER THAN WAGES

1  
Housing Attain-  
ability Fact Sheet,  
Charleston Cham-  
ber of Commerce  
<https://www.charlestonchamber.org/housing-attainability/>

2  
Reference: Real  
Data Apartment  
Markets, Apt Index  
Report, Charles-  
ton March 2018,  
Page 2

## WAGES AND HOUSING COST OVERVIEW

One of the major factors to consider when understanding why so many Charleston households are cost burdened is the fact that rent and home prices are rising much faster than wages. Between the years of 2006 and 2016, almost every neighborhood in Charleston saw stark increases in home prices and rent prices.<sup>1</sup> The peninsula in particular, saw an increase in rent by 69% and the lower peninsula saw an increase in home prices by 33%. Between the years of 2010 and 2016, the median home sales price increased by 27% and the average monthly rent increased by nearly 50%.

## THE IMPACT

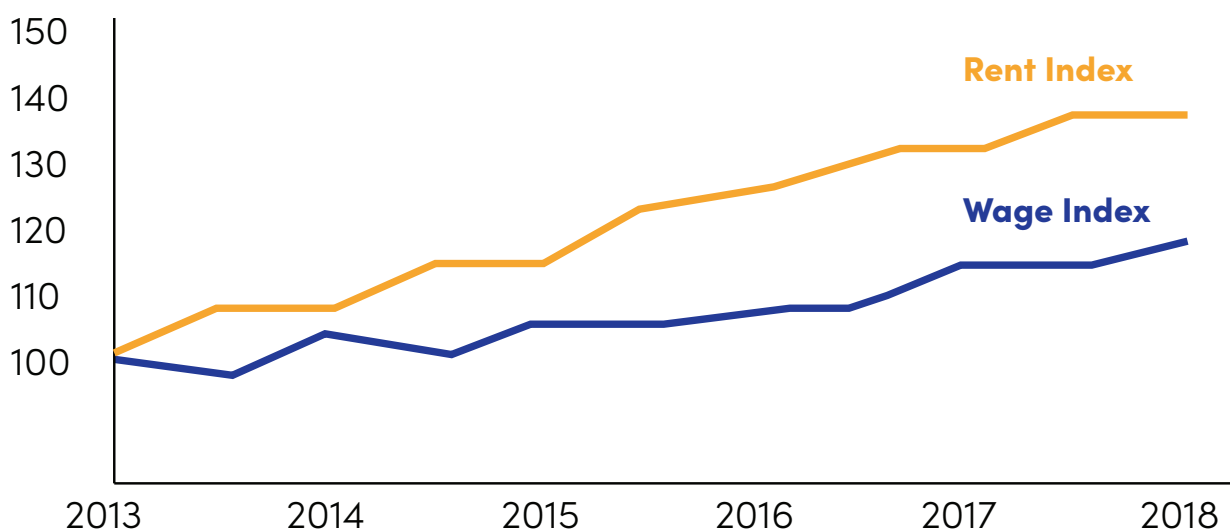
With housing costs rising almost two times faster than wages, this gap leaves teachers, firefighters, food service workers, nurses, police officers and many others unable to buy a single family home. When looking at the median

annual wage that is necessary to buy a typical single family home in West Ashley, the Peninsula and Daniel Island, neither a firefighter, teacher, nor food service worker would be able to afford a home in any of these neighborhoods.

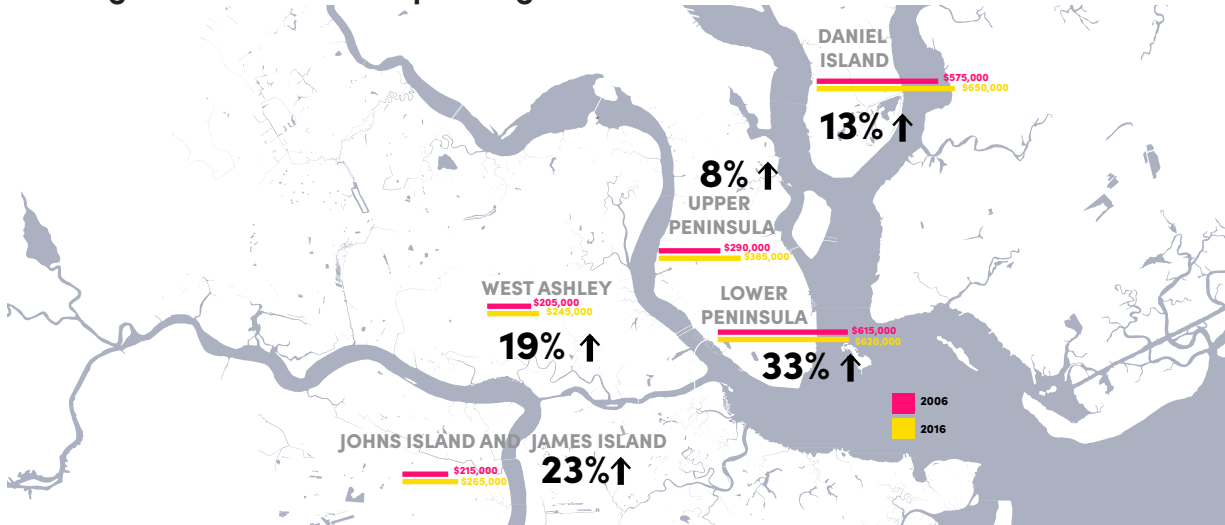
## TAKEAWAYS

When looking at these statistics as a whole, the major takeaway is that the majority of Charleston residents are affected by the affordability crisis. While “affordable housing” is a term that can often carry a stigma in Charleston, the average citizen is in need of affordable housing. It is clear that Charleston is in an affordable housing crisis, but what does this need translate to in terms of the number of units that would need to be built?

Housing Costs v. Wages<sup>2</sup>



### Housing costs 2006 to 2016 per neighborhood<sup>3</sup>

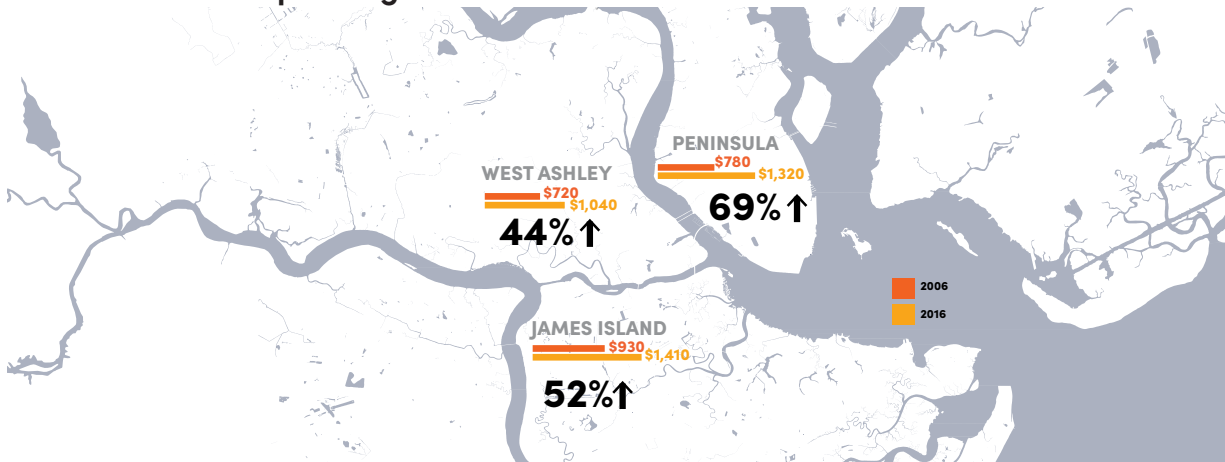


3  
Reference:  
Housing Attain-  
ability Fact Sheet,  
Charleston Cham-  
ber of Commerce  
<https://www.charlestonchamber.org/housing-attainability/>

4  
Reference:  
Housing Attain-  
ability Fact Sheet,  
Charleston Cham-  
ber of Commerce  
<https://www.charlestonchamber.org/housing-attainability/>

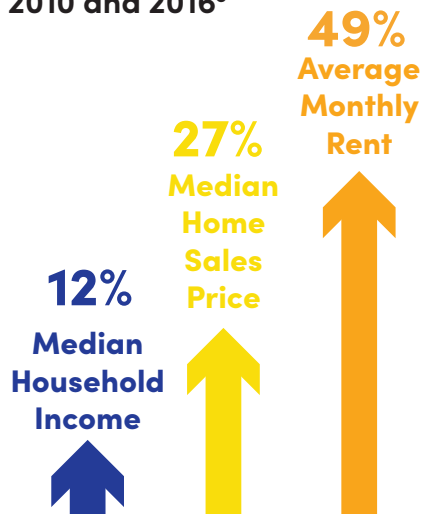
5  
Reference: 2017  
Regional Eco-  
nomic Score-  
card, Charleston  
Chamber of  
Commerce

### Rent 2006 to 2016 per neighborhood<sup>4</sup>

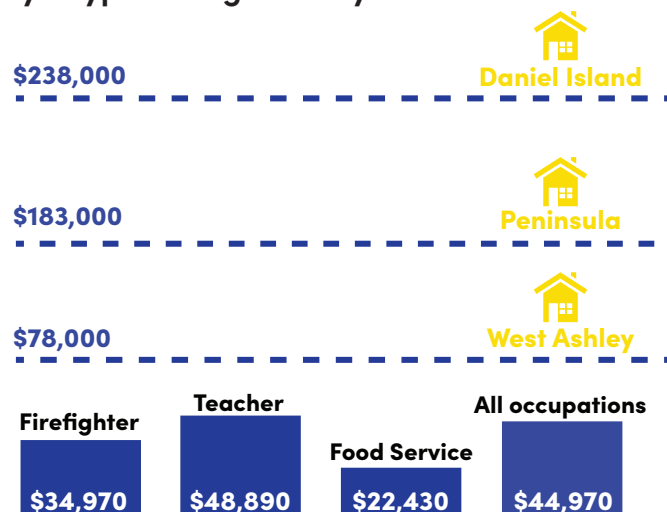


6  
Reference: 2016  
Bureau Labor  
Statistics, [https://www.bls.gov/oes/current/oes\\_16700.htm](https://www.bls.gov/oes/current/oes_16700.htm) and 2016  
Sales Data from  
Charleston Area  
Trident Associa-  
tion of realtors,  
accessed [https://www.postand-courier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article\\_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html](https://www.postand-courier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html)

### Percentage Increase between 2010 and 2016<sup>5</sup>



### Median Annual Wages v. The Wage needed to buy a typical single family home<sup>6</sup>



# CHARLESTON'S HOUSING SUPPLY IS NOT MEETING THE DEMAND

<sup>1</sup> Housing Attainability Fact Sheet, Charleston Chamber of Commerce <https://www.charlestonchamber.org/housing-attainability/>

<sup>2</sup> HUD report, Comprehensive Housing Market Analysis, Charleston-North Charleston, South Carolina

<sup>3</sup> Ibid; note that these statistics currently do not exist at a city level

<sup>4</sup> Reference HUD report, Comprehensive Housing Market Analysis, Charleston-North Charleston, South Carolina; City level data unavailable at the time

## CAN'T WE JUST BUILD MORE HOUSES?

A natural response to the affordability crisis is –“*can't we just build more homes?*” However, at the current rate of construction, Charleston is far behind in actually meeting the need and demand for housing.

## POPULATION GROWTH

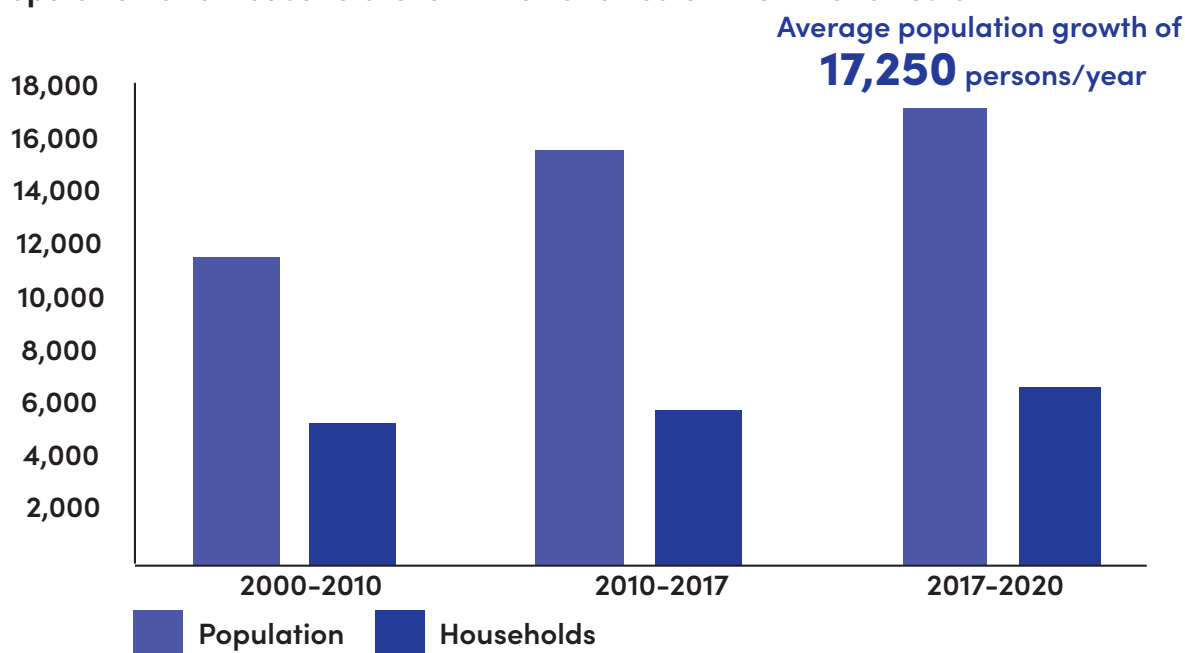
A large part of the increased housing demand is the fact that Charleston over the past twenty years has seen a steady population growth. Given Charleston's strong local economy with steady annual job growth, the city has been able to attract many new residents, especially from other nearby Southern cities. In 2017 the top 5 markets where new residents arrived from were Columbia, Greenville, New York City, Charlotte and Atlanta<sup>1</sup>. Between 2017 and 2020, the average population growth is projected to be 17,250 persons/year.<sup>2</sup>

## THE DEMAND

A HUD report on the Charleston-North Charleston housing market revealed that between 2017 and 2020, the county is projected to need 14,250 sales units and 7,475 rental units.<sup>3</sup> However, the current sales and rental units slated for construction would satisfy only 12% of the sales units need and partially satisfy the rental unit need at 62%.

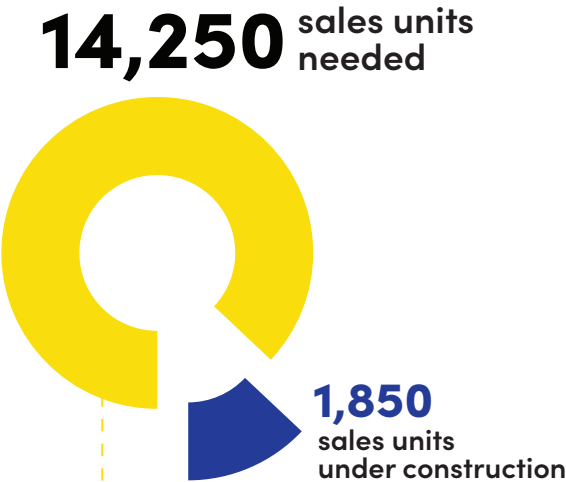
The report also reveals how within this projected demand there is a range of unit prices that are needed as well as a range of rental unit types needed to fulfill the demand of existing and new residents. But this brings us back to the original question—if there is such a demand for housing, why is Charleston not building at a rate that can fulfill the demand of the market? Why is there a gap between the number of units needed and the number of units slated for construction?

## Population and Household Growth for Charleston-North Charleston<sup>4</sup>



Projected Housing Demand for Charleston-North Charleston between 2017-2020<sup>5</sup>

5  
Reference HUD  
report, Compre-  
hensive Housing  
Market Analysis,  
Charleston-North  
Charleston, South  
Carolina; City level  
data unavailable  
at the time



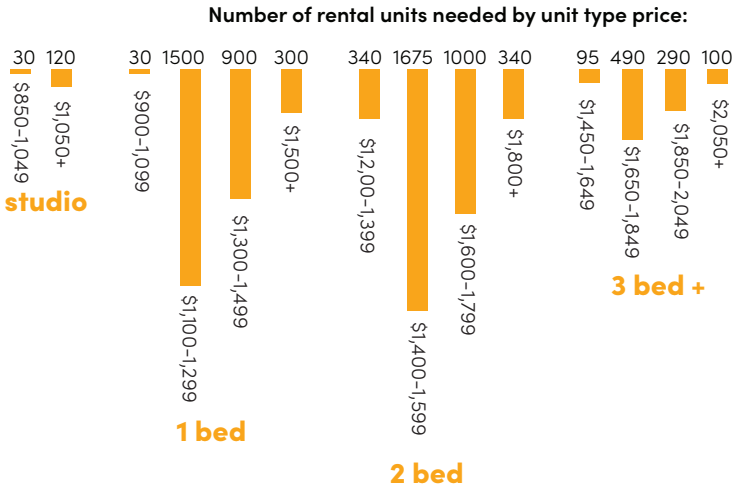
**12,400** sales units needed

Number of sales units needed by price:



**2,825** rental units needed

Number of rental units needed by unit type price:



# SO...WHAT IS GOING WRONG?

Twenty for profit and non-profit affordable housing developers working in Charleston were interviewed for this report and asked the basic

question: **what is going wrong when it comes to developing affordable housing in Charleston?**  
The following are some of the responses:

*"You know, when you have trusted local developers, such as Humanities Foundation, going elsewhere to build, that it is **not financially feasible** to build affordable housing here"*

*"STR (short term rental) is essentially cross subsidizing one of our affordable projects. We need the city to seriously consider how STR can become an incentive for developers"*

*"We are still looking at the housing issue as some people are "worthy" of housing and others are not. For instance homeless people are not seen as being worthy of housing. We need to **change our mentality** to unequivocally everyone is worthy and deserving of housing."*

*"Time is the one asset you cannot get back...the current way of building in Charleston is an unsustainable business model and it is time that the development community and city get on that page"*

*"(The city) needs to adopt an **entrepreneurial mentality**. Currently there isn't the infrastructure in place for city agents to act quickly and nimbly on potential property acquisitions"*

*"There are a lot of specific barriers to Charleston **compounded by industry wide issues, state issues, and federal issues**. There are a lot of barriers. But there is also a tremendous opportunity to get it right. The city needs to bring the right people to the table so that we can collectively do the right thing and confront some of these barriers."*



*“People in Charleston will open their wallets for the arts, or animal rights or a variety of other causes... but when it comes to housing there is still the idea that it is the public sector’s ‘problem,’ the city’s responsibility, and that the private sector shouldn’t have to fund or support it. The **lack of philanthropic capital** is a huge barrier.”*

*“There is no true guarantee that Charleston remains the economic center or heartbeat of the region. Considering where Volvo and Boeing are headquartered, and the (cheaper) housing costs up North, the city needs to start looking at the housing crisis in terms of the potential implications for migration and the serious implication on the tax base”*

*“When you build affordable housing as a developer you are still spending 90-95% that people are constructing market rate housing but you aren’t getting the same rents. **The gaps in your finances are huge**”*

*“When working with the city during the TRC process, it sometimes feels like they are looking for ways to trip you up...the combination of unintended consequences of zoning and bureaucratic processes makes **it feel like there are more forces working against you than for you if you are not building luxury housing**”*

*“There is no one big solution to our housing crisis. There are a lot of micro-solutions that can eventually add up to one big solution. But we need to stop thinking that one bond referendum or one big solution will solve our housing woes.”*

*“There is this myth in Charleston of out of town developers as the “big bad wolf”...that they are the developers to be fearful of. But in fact out of town developers tend to be more respectful and timid of the different approval processes since they are not as familiar with it.”*

# TWO CATEGORIES OF BARRIERS TO BUILDING AFFORDABLE HOUSING

When conducting developer interviews a pattern started to emerge. When discussing the challenges to developing affordable housing in Charleston, the barriers started to fall into two large buckets.

## **FINANCIAL BARRIERS**

The first category surrounded the financial barriers and the policies and programs

contributing to the extremely high cost of building in Charleston. Over and over, developers would point to how expensive it is to build in Charleston due to reasons such as the seismic and flooding issues in the city, limited land, the historic preservation laws, lengthy review processes, the difficulty of obtaining Low Income Housing Tax Credits (LIHTC), and the general lack of gap funding available to



developers. As the interviews revealed, there are many layers to unpack with regards to why it is so costly to build affordable housing in Charleston.

### **ATTITUDES AND PERCEPTIONS**

As the conversations with developers around financial barriers continued, a second set of underlying barriers emerged: the public attitudes and mentalities when it comes to affordable housing. For many in Charleston, the term 'affordable housing' carries a stigma. There is a large contingent of the Charleston population that is fearful of affordable housing

being developed in their neighborhood – an attitude known as NIMBY (Not in My Backyard). And city policies around development consciously or subconsciously reflect this by creating processes that are not conducive to developing affordable housing.

### **TAKEAWAYS**

Over the next few pages, this report will unpack some of the high level details of these two phenomena- the cost barriers and the mentalities and attitudes barriers- in order to have a more nuanced understanding of the challenges at hand.



**SURFACE LEVEL BARRIER: COSTS**

**UNDERLYING BARRIER: MENTALITIES AND ATTITUDES**

# MAJOR BARRIER #1: COSTS

1  
<https://www.housingtoolbox.org/financing-and-funding/basics>

2  
<https://www.sandiegoreader.com/news/2007/sep/27/no-such-thing-as-soft-debt/#>

3  
<https://www.housingtoolbox.org/financing-and-funding/basics>

4  
Ibid

5  
Ibid

## BREAKING DOWN PROJECT FINANCING

In order to understand why it is so difficult to build affordable housing in Charleston, it is critical to understand how a development project is financed.

First, a developer has to obtain enough private and public funding sources to cover the total cost of simply building the building. The development costs consist of five primary uses<sup>1</sup>:

1. Purchasing/Leasing the land (site acquisition)
2. Construction Costs
3. Soft Costs (appraisals, marketing, surveys, legal, accounting etc.)
4. Developer Fee (Developer overhead costs and developer profit)
5. Financing Fees (Interest, Loan fees etc.)

In order to cover the above costs, there are generally three sources of funds:

1. **Debt** – this is money borrowed, and paid back with interest. Debt can be considered “**hard debt**” meaning the loan has to be paid back as was drawn up in the loan terms or “**soft debt**” which is a more lenient loan that allows payment to occur when cash flow permits.<sup>2</sup>

2. **Equity**–this is financing that is viewed as an investment, with an expected but not guaranteed return. In the affordable housing world this equity generally comes from the developer and the sale of tax credits.<sup>3</sup>

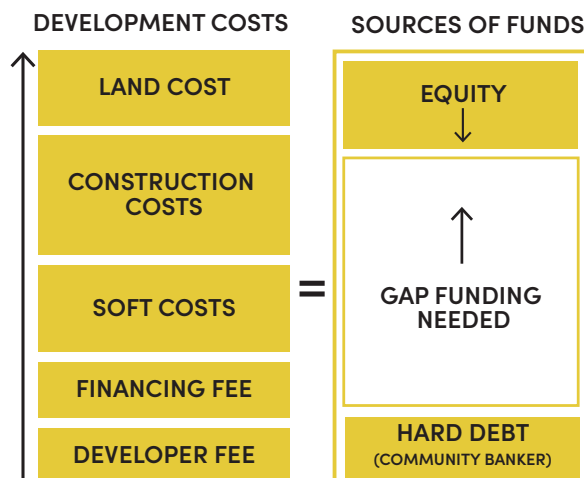
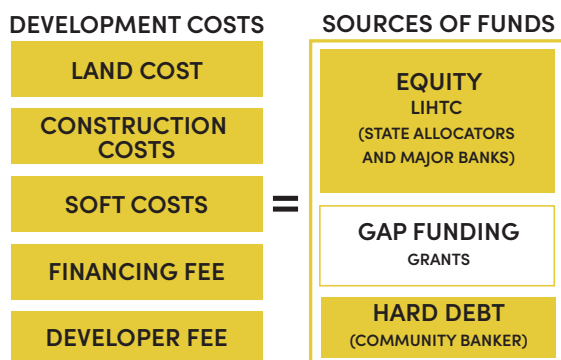
3. **Grants** –These are funds to fill the gap between total development costs and the amount that can be financed with debt or equity. For affordable housing developments, this is usually required because of the limited rents or sale prices that low- and moderate-income households can afford.<sup>4</sup>

## WHAT IS GAP FUNDING?

There is usually a gap between the development costs and the sources of funds (see below diagram). Developers rely on loans and other sources in order to construct a building to then generate revenue as provided by rent. However, developers can only get these loans *if* the development will produce enough revenue to pay back the loans and pay returns to investors.<sup>5</sup> Almost always in an affordable project, equity and hard debt alone are not sufficient to get a project off the ground, and other sources have to fill in the gap.

## Applied to Charleston:

### Basic Financing Formula:



## WHAT HAPPENS IN CHARLESTON?

Now let's think about this basic project finance formula and think about how it changes when applied to Charleston. In general, the development costs in Charleston are going to be quite high, especially due to high land and construction costs.

Land costs in Charleston are rapidly rising. The reason for this is quite intuitive – as a coastal city, Charleston can't grow in all directions, and land is inherently limited. With demand for housing increasing, the increase in value of land reflects this scarcity.<sup>6</sup>

Construction costs in Charleston are also quite high and thus increase overall development costs. For instance Charleston has a unique ecological environment and building in zones with high wind, flood<sup>7</sup> (see below image), or seismic hazard requires additional infrastructure that greatly increase costs. In addition, the city has some of the most restrictive historic preservation policies in the country. Building in historic districts brings with it a variety of restrictions on types of materials as well as the potential for lengthy review processes (e.g. BAR). These policies can greatly increase both material costs and soft costs. This unique cocktail of factors creates a specific construction climate in the city, where places in highest demand of affordable and workforce housing (i.e. the peninsula) can cost much more than the cost to build in neighborhoods such

as West Ashley (see below diagram).<sup>8</sup>

Going back to the basic finance formula, we know that the overall development costs for an affordable project is going to be extremely high in Charleston. As discussed in the next section, the availability of equity especially as related to Low Income Housing Tax Credits is also scarce, causing the amount of equity available for projects to decrease and the need for gap funding to rise immensely. In order to make affordable housing work in Charleston, it is imperative that the city place an emphasis on how to address the need for gap funding.

## WHY CAN'T LOANS FILL IN THE GAP?

If there is such a big gap, couldn't developers just fill it with more debt? The short answer is no. Lenders determine the size of a loan on a project's Net Operating Income (NOI), or the amount of money the project will take in from rent once operating expenses are taken into consideration.<sup>9</sup> So in an affordable development, if the rent is set at an affordable rate the NOI is going to be quite low and thus the lower the NOI the lower the size of the loan.<sup>10</sup>

Since there is a limit in terms of how much hard debt a project can acquire, subsidies or grants as well as equity are essential to filling in the gap. What does the landscape for these sources of funds look like in Charleston?

6 [https://www.postandcourier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article\\_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html](https://www.postandcourier.com/news/charleston-s-housing-crisis-is-on-pace-to-mirror-san/article_569e7cca-a7a1-11e7-828a-2fc7072dbd27.html)

7 See the Dutch Dialogues Charleston Plan for more information with regards to flooding and water issues in Charleston: <https://www.dutchdialoguescharleston.org/>

8 Source: Developer Interviews

9 <http://apps.urban.org/features/cost-of-affordable-housing/>

10 ibid

11 <https://abc11.com/weather/flooding-shuts-down-charlestons-historic-district/1014961/>

12 Reference: Department of Housing and Community Development



Image of flooding in Downtown Charleston after a storm<sup>11</sup>

## Approximate Cost/sq to build in Charleston by neighborhood<sup>12</sup>



# MAJOR BARRIER #1: COSTS (ctd.)

1  
<https://www.housingtoolbox.org/financing-and-funding/basics>

2  
<https://www.housingtoolbox.org/financing-and-funding/basics>

3  
[https://www.postandcourier.com/news/why-more-affordable-housing-in-sc-isn-t-getting-built/article\\_daf2b9ec-815c-11e8-a877-177955d1d6df.html](https://www.postandcourier.com/news/why-more-affordable-housing-in-sc-isn-t-getting-built/article_daf2b9ec-815c-11e8-a877-177955d1d6df.html)

4  
Ibid

## OVERALL LANDSCAPE FOR EQUITY AND GRANT FUNDS IN CHARLESTON

As a recap, the major sources of funds for an affordable housing project consists of debt, equity, and grants. Overall, the availability of federal and state funds that could make affordable housing projects financially viable are scarce in Charleston. Let's take a closer look at the two major sources of federal and state funds: LIHTC and HUD Grants.

### LIHTC BACKGROUND

The Federal Low Income Housing Tax Credit program (LIHTC) since the late 1980s, has been the federal government's primary program to produce affordable housing. Rather than direct funding (a grant), it spurs equity investments in affordable housing by giving investors a dollar for dollar credit against their tax liability.<sup>1</sup>

There are two types of LIHTC

credits: 4% and 9%. The 9% credits are more valuable and the annual availability of these credits is limited and are awarded competitively.<sup>2</sup> Each state receives a certain amount of credits based on the population. In 2018, South Carolina received \$13 million in credits<sup>3</sup>. Each state publishes a scorecard called the Qualified Allocation Plan (QAP) that outlines how the credits will be awarded.

### LIHTC BARRIERS

There are many barriers for developers in Charleston to actually obtain the 9% credits, which in theory could greatly help increase the amount of project equity. By looking at some of the quick facts of Charleston's history with the LIHTC program, red flags should be raised (see diagram below). Between 2015 and 2017, 56 projects in South Carolina were funded with tax credits, yet only 1 was in Charleston. And over the past 15 years,

## LIHTC in South Carolina and Charleston, Quick Facts<sup>4</sup>

BETWEEN

**2015-2017**



**56 PROJECTS**

IN SOUTH CAROLINA  
WERE FUNDED WITH  
TAX CREDITS

**1 PROJECT**

WAS IN  
CHARLESTON

DURING THE LAST

**15 YEARS**

**0 PROJECTS**

WERE FUNDED IN  
THE CHARLESTON  
PENINSULA

SINCE

**1986**

THE BEGINNING OF  
THE HOUSING TAX  
CREDIT PROGRAM

**71 PROJECTS**

WERE FUNDED IN  
COLUMBIA

**37 PROJECTS**

WERE FUNDED IN  
CHARLESTON



the Charleston peninsula has not been awarded a single 9% tax credit project. Since the beginning of the program, 71 projects have been funded in Columbia whereas only 37 have been funded in Charleston.<sup>5</sup>

So why is it so difficult to obtain 9% LIHTC credits in Charleston? The way that the QAP, or the scorecard, is written creates unintentional biases against cities like Charleston which has a unique mix of contextual factors at play such as limited space, high land costs, and restrictive historic preservation laws. For instance, being in a food desert as defined in the QAP greatly reduces a project’s chance of being awarded tax credits. In the Charleston peninsula, due to the closure of two prominent grocery stores, many areas of the peninsula are considered a food desert, and thus many areas are ineligible for credits. This is just one example. The way the QAP code is written creates a situation where obtaining tax credits in Charleston is increasingly difficult and seemingly impossible.<sup>6</sup>

Another barrier worth noting with regards to the sustainability and reliability of the LIHTC program is the impact of the Tax Cuts and Job Act of 2017 on LIHTC Equity Pricing (see below diagram). The act, which decreased corporate tax rate to 21% decreased the financial incentive for the largest LIHTC investors (corporations) to make equity

investments in tax credits.<sup>7</sup> Industry sources estimate that LIHTC production could decline by 235,000 units over the next 10 years.<sup>8</sup> While it is difficult to obtain LIHTC credits in Charleston, the future of the funding source is also uncertain.

LACK OF FEDERAL FUNDS

Another source of federal funding in Charleston comes in the form of three federal grants -the Community Development Block Grant (CDBG), HOME Investment Partnership program (HOME) and Housing Opportunities for Persons with AIDS program (HOPWA). Over the past ten years there has been a decrease in federal grant funds allocated to Charleston, which follows a national trend in the reduction of Federal aid to affordable housing programs (see below diagram). The overall federal funding allocation to Charleston in 2018 was \$2.1 million, which can only go so far in filling the gap of the affordable housing need.

TAKEAWAYS

Overall, the limited availability of funding sources in Charleston produces a development context where obtaining the sources of funds to build affordable housing is extremely difficult. In many cases it is not the will of the developers to build affordable housing that is the major barrier, but rather the financial constraints of the market.

5 [https://www.postandcourier.com/news/why-more-affordable-housing-in-sc-isn-t-getting-built/article\\_daf2b9ec-815c-11e8-a877-177955d1d6df.html](https://www.postandcourier.com/news/why-more-affordable-housing-in-sc-isn-t-getting-built/article_daf2b9ec-815c-11e8-a877-177955d1d6df.html)

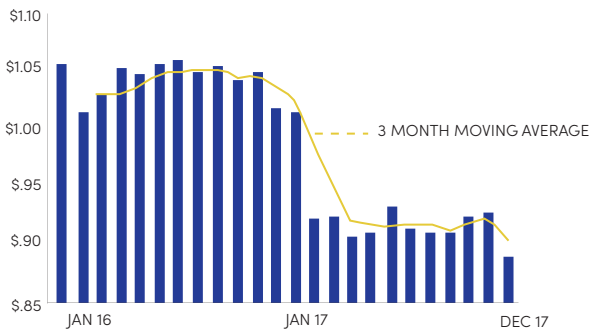
6 Ibid

7 <https://www.urban.org/urban-wire/how-tax-cuts-and-jobs-act-puts-affordable-housing-production-risk>

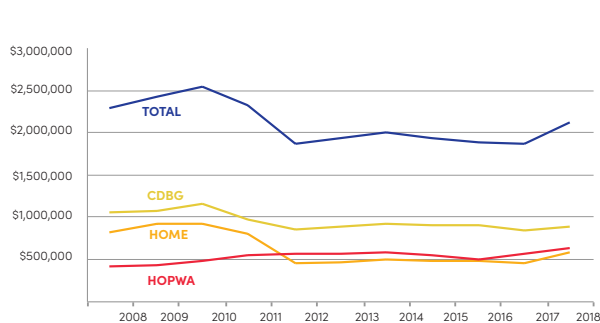
8 Ibid

9 Reference: <https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/lihtc-pricing-trends>

LIHTC Equity Pricing Trends<sup>9</sup>



Annual Federal Funding Allocation





# MAJOR BARRIER #2: ATTITUDES - NIMBYISM

1  
<https://www.homelesshub.ca/solutions/affordable-housing/nimby-not-my-backyard>

2  
<https://www.theatlantic.com/sponsored/fannie-mae-2019/how-to-beat-affordable-housings-nimby-problem/3190/>

3  
<https://humanitiesfoundation.org/scoop/affordable-housing-initiative-in-the-works/>

4  
Reference for photo: <https://humanitiesfoundation.org/neighborhood/seven-farms-village/>

## UNDERSTANDING NIMBYISM

In order to understand the second major barrier to building affordable housing, that being public perception and attitudes, it is important to unpack the idea of NIMBY-ism. NIMBY (Not in my backyard) describes the phenomenon in which residents deem a new development or a change in occupancy as unwanted for their neighborhood.<sup>1</sup> There are two things generally driving NIMBYism: fear and a knowledge gap<sup>2</sup>.

Resistance to building affordable housing or new housing development can originate from a variety of factors such as a fear of neighborhood change (population demographics), fears of consequences of change (overcrowded schools, traffic congestion), or fears of visual changes (shifts in neighborhood visual character). One of the best places local governments can start when it comes to understanding NIMBYism in their communities is practicing deep listening to better understand where the fear in their community originates from.

## DIFFERENT FLAVORS OF NIMBY

In Charleston, NIMBY-ism and the origin behind the opposition has a variety of reasons. Understanding this nuance

is important as the key to addressing NIMBYism is through education.

## DANIEL ISLAND SEVEN FARMS

One prominent example of NIMBYism in Charleston is the case of an affordable housing complex for seniors on Daniel Island called the Seven Farms Apartment Initiative in 2006. During project construction by a local non-profit developer, some residents were deeply concerned about the effect a low-income development would have on the community and property values, as well as whether or not the building would meet Daniel Island's "architectural standards."

Community meetings about the project were extremely heated, and lack of communication was blamed for much of the negativity surrounding the Seven Farms Apartments initiative. The plan drew the staunchest criticism from the Daniel Island Neighborhood Association (DINA), which charged that residents had not been adequately informed about the project before it was announced.<sup>3</sup>

## CITY OF GOOSE CREEK

Another local example in nearby Berkeley County occurred in 2011, when



Daniel Island Seven Farms Apartment<sup>4</sup>

the City of Goose Creek's Zoning Board of Appeals voted 4-3 to refuse a permit for an apartment complex on the edge of Crowfield Plantation. The project would have been financed in part with low-income tax credits from the South Carolina Housing Development and Finance Authority. "We are not against multiple-family dwellings," said one resident. "We're concerned about the influx of low-income housing."

Michelle Mapp, the former executive director of the South Carolina Community Loan Fund, spoke in support of the apartment complex. She said: "Members of the community came out in opposition, not because the project violates any established planning or zoning ordinances, but because of a fear of who is going to be living next door."<sup>5</sup>

## EFFECTS OF NIMBYISM

NIMBY-ism and the strong voices of opposition from residents have the potential to stop affordable housing from being developed with the same fortitude as cost barriers. As non-profit affordable housing developer Tracy Doran has said, the key is education and communication:

"NIMBYism will always be with us, but our main tool in combating it is the quality of affordable housing we're creating. In most cases, you look at our projects and don't say, 'Oh, that's affordable housing.' We're constantly trying to educate people and exposing them to who their neighbors are: single moms and people with two jobs –hardworking people like you. We say, 'Please come visit and see for yourself.'" <sup>6</sup>

5  
<https://sccommunityloanfund.org/blog/2011/10/20/housingmatters-justnotinmybackyard/>

6  
<https://humanitiesfoundation.org/scoop/affordable-housing-initiative-in-the-works/>

7  
Adapted excerpt from: <https://www.theatlantic.com/sponsored/fannie-mae-2019/how-to-beat-affordable-housings-nimby-problem/3190/>

## LEARNING FROM MINNEAPOLIS<sup>7</sup>

In December of 2018, Minneapolis approved *Minneapolis 2040*, a plan that bans single-family zoning and allows duplexes and triplexes in every neighborhood. For housing advocates across the country who have spent years battling NIMBYs over the smallest of zoning tweaks, passing the plan was an incredible feat. So how did they do it?

The office of Long Range Planning first facilitated a wide-ranging, years-long, in-depth conversation about what residents want their city to be and the values they want it to reflect. That process generated support across disparate communities for the plan that was ultimately proposed. One resident said: "The city expanding the conversation and making it more than just, 'Do we like apartment buildings or do we not?' was really important...[instead] the whole city was having these really complicated conversations." According to the Director

of Long Range Planning, Heather Worthington, a lot of those conversations returned to the deep and persistent racial disparities in the city. Worthington said: "I think if you start having a conversation about shared values, you end up in a much better place."

The city's strategy required thoughtfully educating residents about the proposal, especially around the rationale for allowing duplexes and triplexes. "It helps to assuage fears that a change in zoning doesn't mean the Manhattanization of the neighborhood," said researcher Elizabeth Kneebone.

According to Jeffery Hayward, Fannie Mae's executive vice president, it is important for officials to listen to long-term residents of the community as well as people in the community who have historically been priced out. He said: "You have to have courage in the conviction to do what is right for the whole community and not just a few [residents]."

# MAJOR BARRIER #2: ATTITUDES - DISTRUST

1,2,3  
<https://abcnews4.com/news/local/long-time-residents-speak-out-about-gentrification-of-down-town-charleston-at-meeting>

4  
<https://www.live5news.com/2019/07/17/group-holds-dis-cus-sion-about-gentrification-con-cerns-charleston/>

## GENTRIFICATION

While NIMBYism is typically used to describe opposition to affordable housing development in a neighborhood, a related but different attitude in Charleston exists: one which is generally opposed to new development due to threat of gentrification. The rapid development of the city over the past couple decades, especially in the Peninsula, has caused extreme demographic changes and a deep fear of gentrification that puts native Charlestonians at an economic disadvantage.

In March of 2019, the non-profit Community Promise Neighborhood hosted a conversation about gentrification in Charleston. Many of the sentiments expressed during this conversation surrounded the negative impacts that the rapid development has had in the peninsula. Here are a few quotes from the night from residents:

*"We're experiencing hotelification, commodification of residential lands*

*where our communities are being sold to the highest bidder."*

-Jason Taylor<sup>1</sup>

*"Neighborhoods are being lost, identities are being lost. The community where I grew up doesn't exist anymore."*

-Herb Frazier<sup>2</sup>

*"African-Americans are moving on out because the cost of living is just too high"*

-Tameika Euland<sup>3</sup>

Many of these concerns and sentiments are tied to a distrust of city policies and a perception that the city has not developed enough mechanisms to combat the displacement of longtime residents.

The conversation in Charleston around development and displacement is nuanced and layered. It is extremely important that city officials listen to the concerns and lived experiences of residents in gentrifying neighborhoods,



Community Forum on Gentrification, hosted by the Charleston Promise Neighborhood<sup>4</sup>



and work to gain the trust of residents through demonstrated actions that reflect a framework of equitable development.

## CITY PROCESSES

Another reason for distrust of city policies are the complicated processes for developing affordable housing in Charleston. One local developer said:

*"When working with the city during the TRC process, it sometimes feels like they are looking for ways to trip you up...the combination of unintended consequences of zoning and bureaucratic processes makes it feel like there are more forces working against you than for you if you are not building luxury housing."*<sup>5</sup>

Whether or not these perceptions are an accurate portrayal of city officials, city processes such as the Design Review Board (DRB), Technical

Review Committee (TRC), and Board of Architectural Review (BAR) yield lengthy and time consuming review processes that do not promote the efficient production and development of affordable housing. City policies and processes are a direct reflection of city values and priorities. In order to demonstrate to the development community and the public at large that the city is prioritizing affordability and equity, this commitment should be reflected in city policies.

## TAKEAWAYS

It is critical that the city focus on combating public stereotypes and perceptions that threaten the development of affordable housing. And it is equally as important that the city adopt policies and processes that reflect their intention and commitment to developing housing for a more fair, accepting, accessible, and resilient city.

5  
Developer Inter-views

6  
Reference for photo: [https://www.postandcourier.com/business/board-to-consider-request-to-demolish-charleston-s-courtyards-apartments/article\\_fd5bb09c-9337-11e7-be17-27704564b88e.html](https://www.postandcourier.com/business/board-to-consider-request-to-demolish-charleston-s-courtyards-apartments/article_fd5bb09c-9337-11e7-be17-27704564b88e.html)

7  
Reference for photo: <http://www.buildingsarecool.com/new-blog/2014/12/30/architectural-review-boards>

8  
Reference for photo: <http://www.buildingsarecool.com/new-blog/2014/12/30/architectural-review-boards>



BAR approval of a building leads to the demolition of this building for a hotel and new apartments<sup>6</sup>



Charleston Design Review Board Meeting<sup>7</sup>



Charleston BAR meeting<sup>8</sup>

# SWOT ANALYSIS: CHARLESTON'S AFFORDABILITY CRISIS

NATIONAL  
AFFORDABLE  
HOUSING  
DEVELOPER  
INTEREST

LOCAL NONPROFIT  
AFFORDABLE  
HOUSING  
COMMUNITY

CHARLESTON  
AREA JUSTICE  
MINISTRY

TIF (TAX  
INCREMENT  
FINANCE)  
DISTRICTS

HISTORIC  
PRESERVATION

CHAMBER OF  
COMMERCE  
DATA  
CAPACITY

BOOMING  
TOURIST  
INDUSTRY

PUBLIC APPETITE  
FOR PROGRESSIVE  
HOUSING POLICY  
(E.G. AFFORDABLE  
HOUSING BOND  
REFERENDUM)

CITY INTENTION  
AND PROVED  
PRIORITIZATION OF  
HOUSING ISSUES

## STRENGTHS

## WEAKNESSES

LACK OF  
PHILANTHROPIC  
CAPITAL FOR  
AFFORDABLE  
HOUSING

SHORTAGE OF LAND  
AVAILABILITY

LENGTHY TRC,  
DRC, BAR  
APPROVAL  
PROCESSES

HIGH COST TO BUILD  
AFFORDABLE HOUSING  
IN CHARLESTON

LACK OF PUBLIC  
TRANSPORTATION  
INFRASTRUCTURE

PERCEIVED  
LACK OF  
TRANSPARENCY  
BY GOVERNMENT  
AGENCIES

DECREASED  
FEDERAL  
FUNDING AND  
SPENDING

SOUTH CAROLINA  
STATE STATUE  
BARRIERS

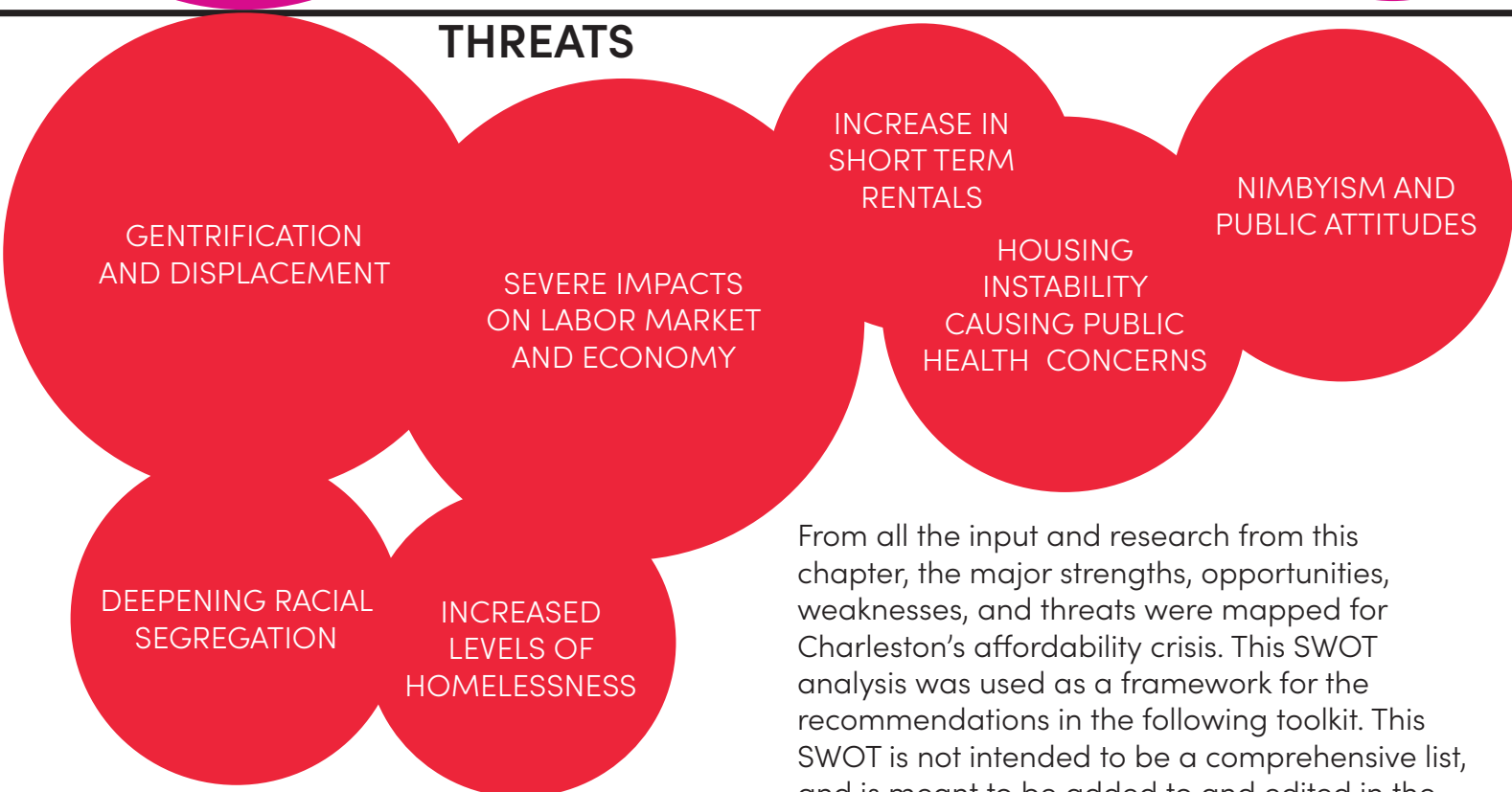




## OPPORTUNITIES

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## THREATS



From all the input and research from this chapter, the major strengths, opportunities, weaknesses, and threats were mapped for Charleston's affordability crisis. This SWOT analysis was used as a framework for the recommendations in the following toolkit. This SWOT is not intended to be a comprehensive list, and is meant to be added to and edited in the future as conditions shift and change.



Chapter Three

# **CHARLESTON'S AFFORDABLE HOUSING TOOLKIT**

# TOOLKIT OVERVIEW

In the previous chapter, two major barriers to developing affordable housing in Charleston were unearthed: the first being financial barriers and the second being public attitudes and perceptions.

In order to address these barriers, this plan proposes thirty-five tools that make up Charleston's Affordable Housing Toolkit. These tools are categorized into two different categories aimed to address the two major barriers uncovered in the last chapter: the Housing Development toolkit and the Coalition Building Toolkit.

The Housing Development Toolkit consists of **zoning/policy tools** and **funding tools** to address one of the major barriers uncovered in the last chapter: the cost of building affordable housing. These tools fundamentally aim to create and preserve affordable housing stock in Charleston.

The Coalition Building Toolkit consists of **education/empathy tools** and **capacity building tools** to address the second major barrier uncovered in the last chapter: the public attitudes and perceptions towards affordable housing. These tools fundamentally aim to better communicate information about affordable housing and provide platforms for people to connect and build coalitions.

In this chapter, each tool will be explored with four different lenses. First, the tool will be defined in order to create a collective understanding. Second, Charleston's engagement with the tool will be evaluated in order to better understand how Charleston is currently utilizing the tool. Third, recommended actions are proposed for city officials in order to strengthen Charleston's engagement with the tool or devise a plan of implementing the tool in Charleston for the first time. Lastly, salient cases studies illustrate the power of each tool in different contexts and provide new insights to the recommendations. For each tool, there is a "takeaway" section that highlights key ideas or observations gained.

On the next page you will see an overview of the thirty-five tools that make up Charleston's Affordable Housing Toolkit. The modular format of this menu of tools was created for ultimate flexibility and so that more tools can be added in the future. This page can be duplicated and the tools can be cut out and used in public engagement sessions to discuss how to prioritize the tools. This strategy was utilized in a housing stakeholder engagement workshop for this plan during the Summer of 2018 (see Appendix A).

No single tool in this set is seen to be a silver bullet to addressing Charleston's affordable housing crisis. Rather, it is the concert of these tools working together that will move the needle to address the affordability crisis in Charleston. By utilizing the tools collectively, this toolkit is aimed to build momentum for increasing and preserving Charleston's affordable housing stock and creating a more fair and equitable Charleston.

# HOUSING DEVELOPMENT TOOLS

look to address the

**SURFACE LEVEL BARRIER of COSTS**

with the goal to

## DEVELOP AND PRESERVE



## COALITION BUILDING TOOLS

look to address the

**UNDERLYING BARRIER of MENTALITIES AND ATTITUDES**

with the goal to

## EDUCATE AND COMMUNICATE



# HOUSING DEVELOPMENT TOOLKIT:

## ZONING/POLICY TOOLS

TOOL 1:  
ZONING  
INCENTIVES

TOOL 2:  
EXPEDITED  
PROCESSING,  
FEE WAIVERS,  
REDUCED  
PARKING

TOOL 3:  
INCLUSIONARY  
ZONING

TOOL 4:  
ADU  
(ACCESSORY  
DWELLING  
UNITS) AND  
TINY HOMES

TOOL 5:  
STR (SHORT  
TERM RENTALS)  
ZONING  
PROVISIONS

TOOL 6:  
RAD (RENTAL  
ASSISTANCE  
DEMONSTRATION)

TOOL 7:  
CITY LAND  
BANKING

TOOL 8:  
CLT  
(COMMUNITY  
LAND TRUST)

TOOL 9:  
HISTORIC  
PRESERVATION  
AND CULTURAL  
DISTRICTS

TOOL 10:  
TOD (TRANSIT  
ORIENTED  
DEVELOPMENT)

## FUNDING TOOLS

TOOL 1:  
AFFORDABLE  
HOUSING TRUST  
FUND

TOOL 2:  
AFFORDABLE  
HOUSING BONDS

TOOL 3:  
LEVYING A  
PENNY TAX

TOOL 4:  
FEE IN LIEU &  
IMPACT FEES

TOOL 5:  
TIF (TAX  
INCREMENT  
FINANCE)

TOOL 6:  
TAX CREDITS

TOOL 7:  
TAX  
ABATEMENTS &  
THE BAILEY  
BILL

TOOL 8:  
OPPORTUNITY  
ZONES

TOOL 9:  
HUD  
PROGRAMS

TOOL 10:  
PHILANTHROPIC  
FUNDING

# COALITION BUILDING TOOLKIT:

## EDUCATION/ EMPATHY BUILDING TOOLS

TOOL 1:  
HOUSING  
EDUCATION AND  
COUNSELING  
PROGRAMS

TOOL 2:  
EVICTION  
MITIGATION  
SERVICES

TOOL 3:  
PARTICIPATORY  
PUBLIC ART  
PROJECTS

TOOL 4:  
BLOCK PARTIES

TOOL 5:  
PARTICIPATORY  
MAPPING

TOOL 6:  
SOCIAL MEDIA  
CAMPAIGNS

TOOL 7:  
STORYTELLING  
PROJECTS

TOOL 8:  
DINNER PARTIES

## CAPACITY BUILDING TOOLS

TOOL 1:  
OFFICE OF  
STRATEGIC  
INITIATIVES

TOOL 2:  
CITY REALTOR  
AND LAND  
ACQUISITION  
TASK FORCE

TOOL 3:  
HOUSING  
PARTNERSHIP  
NETWORK

TOOL 4:  
EMPLOYER  
ASSISTED  
HOUSING

TOOL 5:  
AFFORDABLE  
HOUSING  
PRESERVATION  
DASHBOARD

TOOL 6:  
HOUSING DATA  
COALITION AND  
DATA  
HACKATHONS

TOOL 7:  
NEIGHBORHOOD  
TYPOLOGIES  
DATA  
FRAMEWORK



# ZONING + POLICY TOOLS

## Overview

This section expands on ten Zoning and Policy Tools that Charleston could utilize for increasing affordable housing production. These are:

**TOOL 1:  
ZONING  
INCENTIVES**

**TOOL 2:  
EXPEDITED  
PROCESSING,  
FEE WAIVERS,  
REDUCED  
PARKING**

**TOOL 3:  
INCLUSIONARY  
ZONING**

**TOOL 4:  
ADU  
(ACCESSORY  
DWELLING  
UNITS) AND  
TINY HOMES**

**TOOL 5:  
STR (SHORT  
TERM RENTALS)  
ZONING  
PROVISIONS**

**TOOL 6:  
RAD (RENTAL  
ASSISTANCE  
DEMONSTRATION)**

**TOOL 7:  
CITY LAND  
BANKING**

**TOOL 8:  
CLT  
(COMMUNITY  
LAND TRUST)**

**TOOL 9:  
HISTORIC  
PRESERVATION  
AND CULTURAL  
DISTRICTS**

**TOOL 10:  
TOD (TRANSIT  
ORIENTED  
DEVELOPMENT)**

Zoning is a tool that most cities use to govern “uses” (e.g. residential, commercial, or industrial), the size of buildings, and how buildings relate to their surroundings including other buildings, open spaces, and the street.<sup>1</sup> While some of these tools are directly related to recommended changes in zoning, others speak to more general policy recommendations. These tools range in scale – local, regional, state, and federal – and often rely on introducing new legislation at different levels. Many of these tools Charleston has already begun implementing, and thus recommendations are provided to strengthen Charleston’s utilization of the tool.

<sup>1</sup> <https://www.smgov.net/Departments/PCD/Zoning/What-is-Zoning/>

# TOOL 1: ZONING INCENTIVES

1  
Puget Sound  
Regional Council.  
(2015) "Tools:  
Incentive Zoning."  
Retrieved from  
<http://www.psrc.org/growth/housing/hip/alltools/incent-zoning>

2  
<https://realestate.findlaw.com/land-use-laws/zoning-changes-variances-and-more.html>

3  
<https://scommunityloanfund.org/blog/2017/07/18/charleston-workforce-housing-zoning/>

4  
<https://gis.charleston-sc.gov/interactive/zoning/>

## WHAT IS IT?

Incentives are things that motivate or encourage certain behaviors or actions. For instance, you may be offered a small gift card in exchange for completing a customer service survey. Incentive Zoning is defined as a "broad regulatory framework for encouraging and stimulating development that provides a desired benefit or development type as established in adopted planning goals."<sup>1</sup> In other words, its a way for jurisdictions to offer developers things to encourage the development of affordable housing.

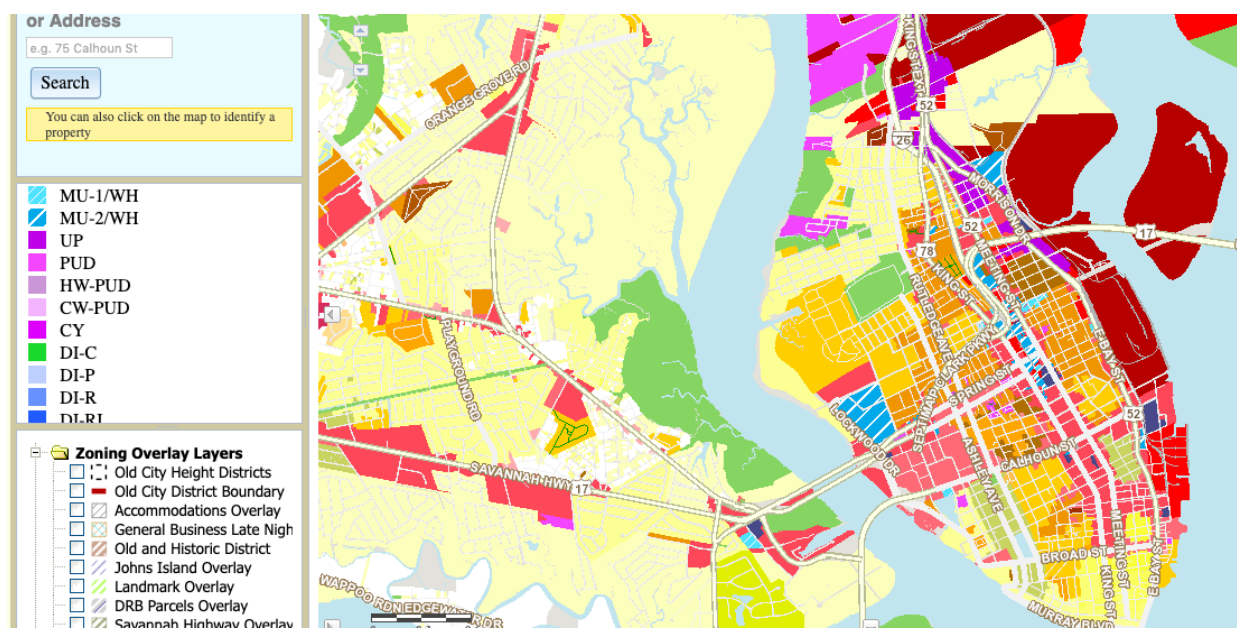
Communities and cities can offer significant incentives to developers to offset the cost of providing affordable housing units. Common zoning incentives include density bonuses (allowing developers to build a higher density in the return for providing affordable housing), tax abatements (see Tool 7 in the Funding tools) or zoning variances (i.e. allowing developers to deviate from the current zoning requirements).<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

In 2017, Charleston updated their **MU (Mixed Use)/WH (Workforce Housing) zoning districts**. These districts incentivize the development of Workforce Housing (max income 80% AMI) by offering developers unlimited density and reductions in parking. Developers can choose to "opt in" to the zoning.<sup>3</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should increase zoning incentives for workforce housing (e.g. density bonuses, parking requirement reductions, automatic up-zoning near transit sites)
- The city should expand zoning incentives to more districts in the city
- The city should consider creating a tiered system depending on development types
- The city should look at revising zoning standards to allow for infill development for new affordable single-family housing (i.e. more flexible building setbacks and more flexible subdivision standards)



Map of MU/WH zones indicated in blue hatch on this interactive zoning map<sup>4</sup>

## LEARNING FROM SEATTLE

Seattle's voluntary incentive zoning program began in 2006. At the request of City Councilmember Mike O'Brien, an audit of the program in 2016 revealed that more than half of eligible projects forewent the bonus density and built only to the base height. The office of the City Auditor identified missing developer contributions, late payments, documentation discrepancies, uncollected fees and other issues.

While some claimed that this demonstrated that housing requirements were overly burdensome, a subsequent

study concluded that **while the bonus density was valuable, it was not valuable enough to offset the added construction cost in many cases.** The audit of the program also revealed that due to inaccurate reporting, the city had been shortchanged about \$3.4 million dollars for affordable housing from the developer of a high-profile, luxury condominium project. Incentive zoning programs require a great amount of administrative time and attention, and the infrastructure has to be in place for successful execution and oversight.<sup>5</sup>

## LEARNING FROM MOUNTAIN VIEW

In 2014, the City of Mountain View adopted the El Camino Precise Plan. A key element of the plan was the inclusion of **tiered zoning incentives** for affordable housing. The plan included three options for development. The Baseline development features the lowest level of City review with no contribution of public benefits required. The Tier 1 and Tier 2 processes allow for increases in height and density in specified areas in exchange for community benefits. This Incentive Zoning/Density Bonus strategy can be a valuable tool in the creation of additional affordable housing and its inclusion in new development.<sup>6</sup>



El Camino Plan<sup>7</sup>

5

Adapted excerpt from: <https://www.seattle.gov/Documents/Departments/CityAuditor/audit-reports/CorrectedLZReport042817.pdf>; <https://www.seattletimes.com/seattle-news/34m-missed-payment-for-affordable-housing-among-findings-of-seattle-audit/>

6

Adapted excerpt from: <https://grandboulevard.net/programs-and-policies-in-use-by-corridor-jurisdictions/new-housing-planning-land-use-and-developer-incentive-tools/incentive-zoning-density-bonus>

7

Reference for photo: <https://mv-voice.com/news/2014/09/26/council-backs-big-el-camino-real-plans>

## TAKEAWAYS<sup>8</sup>:

- Local density bonus programs should be based upon robust analyses that consider the nuances of development costs and conditions particular to a jurisdiction or neighborhood
- It is important to make sure workforce housing requirements and tiering are tuned to a range of development types (e.g., hotels, apartments, offices, ground floor commercial)
- It is imperative that cities prioritize clarity and transparency with both the development community and the public for zoning incentive programs

8

<https://grandboulevard.net/programs-and-policies-in-use-by-corridor-jurisdictions/new-housing-planning-land-use-and-developer-incentive-tools/incentive-zoning-density-bonus>



# TOOL 2: EXPEDITED PROCESSING/ FEE WAIVERS/PARKING REDUCTIONS

1  
<https://inclusion-aryhousing.org/designing-a-policy/land-dedication-incentives/>

2  
<http://inclusion-aryhousing.org/designing-a-policy/land-dedication-incentives/expedited-processing/>

3  
<http://inclusion-aryhousing.org/designing-a-policy/land-dedication-incentives/fee-waivers/>

4  
<http://inclusion-aryhousing.org/designing-a-policy/land-dedication-incentives/parking-reduction/>

## WHAT IS IT?

Most commonly, incentive zoning in jurisdictions utilize density bonuses as the core incentive offered to encourage the development of affordable housing. However, another category of developer incentives that surrounds administrative processing of developments includes expedited processing, fee waivers, and parking reductions.<sup>1</sup> **Expedited processing** moves projects with an affordable housing component to the front of the line in zoning, planning, and building permit processing. Faster processing reduces risk and financing costs and allows developers to bring projects to market faster.<sup>2</sup> In addition, many communities offer **partial or full waivers** of planning fees, permitting fees, or impact fees to projects that include affordable units.<sup>3</sup> Lastly, some cities give **parking reductions** for projects with affordable units and allow developers to build fewer parking spaces than would otherwise be required under local zoning rules. This incentive can result in significant construction cost savings particularly for projects that would typically build parking structures.<sup>4</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

Charleston currently offers Fee Waivers

for 100% Affordable Housing projects. In addition planning related review fees for BAR, DRB, Zoning, etc. are waived for development projects with 50% affordable housing units. The city's Planning department launched in 2019 an initiative called "Streamlining Affordable Housing Policy" to review and push for a suite of new incentives for developing affordable housing.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should expand Fee Waivers for market rate projects that include a portion of affordable housing
- The city should hire and/or train a current staff member to be an "affordable housing concierge" who would personally oversee the approval of affordable projects in the planning department and would check submission before review; this staff person acts as the liaison and resource for developers looking to build affordable housing units
- The city should create affordable materials standards
- The city should create an accelerated design review, with a specific affordable housing review committee and fast track appeals to the Mayor

## LEARNING FROM AUSTIN

Austin's S.M.A.R.T. Housing program achieves a range of goals by providing developers with incentives to voluntarily produce housing that is affordable to low income households. The program was motivated in part by Austin's plans

to implement "Smart Growth" principles while successfully addressing affordable housing needs. The S.M.A.R.T. Housing program, administered by the Austin Housing Finance Corporation, achieves Smart Growth goals by being transit-

oriented and energy efficient. SMART (Safe, Mixed-Income, Accessible, Reasonably-priced, Transit-Oriented) Housing developments must be located within a quarter of a mile of public transportation, and units must meet defined energy standards. The program is voluntary, so it is designed to meet the community's affordable housing needs by offering developers a package of incentives to produce S.M.A.R.T. Housing. Incentives include fee waivers, advocacy, and expedited permitting procedures.<sup>5</sup>

The S.M.A.R.T. Housing Policy offers very significant fee waivers (full or partial) to builders who include a portion of "reasonably priced" units and all units meet the S.M.A.R.T. Housing™ standards, as outlined in the plan<sup>6</sup>. The fee waivers

are introduced in a sliding scale:

- if a builder provides 10% SMART housing, the city will provide 25% fee waivers and fast track reviews,
- If a builder provides 20% SMART housing, the city will provide a 50% fee waivers and fast track reviews
- If a builder provides 40% SMART housing the city will provide 100% fee waivers and fast track reviews.

Despite the limited incentives offered, the program generates significant numbers of affordable housing units each year.

**The program averages nearly 1,500 units per year, and by 2007, the 10,000th S.M.A.R.T. Housing unit had been built.<sup>7</sup>**

## LEARNING FROM SAN DIEGO

San Diego's affordable/in-fill housing expedite program is offered to projects with at least 10% affordable units. The program offers priority processing, access to specialized city staff, shorter staff review times and priority standing on hearing dockets. In the little over 10 years of existence, **the program has expedited processing for more than 300 projects including 2,800 affordable homes.** Participating projects are generally processed in half the time of a typical local project.<sup>8</sup>



Buildings with affordable units, developed using San Diego's expedite program<sup>9</sup>

## TAKEAWAYS:

- While fast tracking is an easy incentive for cities to promise developers, in practice it may not always translate into meaningful time savings – especially if cities offer "expedited" processing to a high share of projects. Given limited staff resources, there is a limit to how quickly permits can realistically be processed.<sup>10</sup>
- Sliding scale methods can be effective for providing fee waivers for projects that include a portion of affordable housing

5  
Adapted excerpt from: [http://www.austintexas.gov/sites/default/files/files/Web\\_version\\_SMART\\_Guide\\_7-1-08.pdf](http://www.austintexas.gov/sites/default/files/files/Web_version_SMART_Guide_7-1-08.pdf)

6  
Ibid

7  
Ibid

8  
Adapted excerpt from: <http://inclusionaryhousing.org/designing-a-policy/land-dedication-incentives/expedited-processing/>

9  
Reference for photo: <https://www.voiceof-sandiego.org/topics/opinion/developers-have-sold-an-incomplete-narrative-about-the-housing-crisis/>

10  
<https://inclusionaryhousing.org/designing-a-policy/land-dedication-incentives/expedited-processing/>

# TOOL 3: INCLUSIONARY ZONING

1

Excerpt from:  
<https://www.local-housingsolutions.org/act/housing-policy-library/inclusionary-zoning-overview/>

2

Excerpt from:  
<https://www.local-housingsolutions.org/act/housing-policy-library/inclusionary-zoning-overview/inclusionary-zoning/>

3

Photo by Brad Nettles/Staf;  
[https://www.postandcourier.com/business/real-estate/a-third-of-sc-families-struggle-to-afford-housing-despite/article\\_0aa7cb36-b4a2-11e9-8f1b-3f9c178500e0.html](https://www.postandcourier.com/business/real-estate/a-third-of-sc-families-struggle-to-afford-housing-despite/article_0aa7cb36-b4a2-11e9-8f1b-3f9c178500e0.html)

## WHAT IS IT?

Inclusionary zoning (IZ) policies create dedicated affordable housing units by requiring or encouraging developers to include a specified share of below-market units as part of market-rate rental or homeowner developments.

IZ policies leverage the private market, generally allowing new affordable units to be created with little or no public subsidy. Depending on how an IZ policy is structured, IZ can also be an effective way to ensure that affordable units are integrated throughout the community, including in low-poverty neighborhoods and resource-rich areas near public transportation, good schools, and high-quality healthcare.

Because the creation of affordable units through an IZ policy depends on the development of market-rate housing, this approach is most likely to be successful in markets with a robust level of construction activity. IZ policies work best when they are tailored to the development realities of the city or county to which they apply and regularly revisited to ensure they keep pace with changing market circumstances.<sup>1</sup>

Rather than providing affordable units on-site, some communities allow developers to satisfy their inclusionary requirements in other ways. For example, developers may be able to pay a fee in lieu of developing affordable units (see page 76). Other communities permit developers to build the required affordable units at another location (off-site). Communities that adopt these off-site policies should consider requiring that the units developed off-site be in a neighborhood of similar quality or higher to the neighborhood where there development is being constructed,

along metrics associated with economic opportunity, such as school quality or the poverty rate.<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

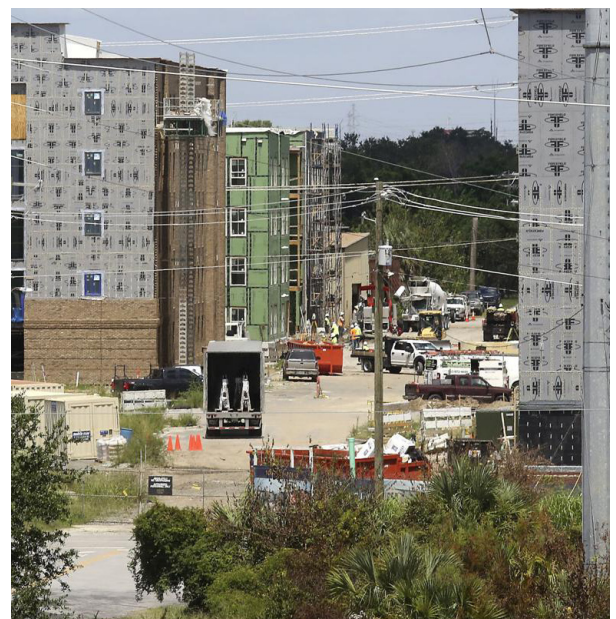
Charleston currently does not have an Inclusionary Zoning ordinance. This is primarily due to the fact that there is no state enabling legislation for IZ and thus the city cannot pass an ordinance.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should continue to advocate at the state level for state enabling legislation in order to pursue a mandatory inclusionary zoning ordinance

- The city should educate residents and improve advocacy around passing state enabling legislation

- In the absence of state enabling legislation, the city should work with elected officials to see how to use the Priority Investment Act to achieve similar results of a mandatory inclusionary zoning ordinance



An example of a community that could benefit from a Mandatory IZ ordinance in Charleston<sup>3</sup>



## LEARNING FROM MONTGOMERY COUNTY

The MPDU (Moderately Priced Dwelling Unit) law (a mandatory Inclusionary Zoning ordinance) has been in effect in Montgomery County since its enactment in 1974. The law currently requires that between 12.5% and 15% of homes in new developments of 20 units or more be MPDUs.

When the program was established, affordability of both rental and homeownership MPDUs was controlled for five years. Today, the control period is 30 years for homeownership MPDUs and 99 years for rental MPDUs. In 2014, a household must earn between a minimum of \$30,000 and a maximum of \$81,000 to rent an MPDU (the maximum income limit is based on household size and unit type). To purchase an MPDU, household

income must be between \$35,000 and \$81,000. Income limits for the program are updated annually.

The MPDU program **has produced approximately 12,500 units of housing affordable to moderate and low income families since its inception.**

However, as Montgomery County becomes more urban and nears its capacity for new development, MPDU production has decreased. Also many MPDU units built early on in the program were lost due to initially short periods of affordability restriction.

While still an important source of affordable housing for the county, these factors stress the reasons inclusionary zoning programs are but one tool for affordable housing development.<sup>4</sup>

4 Adapted excerpt from: <http://nlihc.org/article/40-years-ago-montgomery-county-maryland-pioneers-inclusionary-zoning>

5 Reference for photo: <https://montgomery-planning.org/planning/master-plan-list/general-plans/thrive-montgomery-2050/housing-2050/>



Affordable units developed in Montgomery County<sup>5</sup>

### TAKEAWAYS:

- State enabling legislation is critical for Charleston to use this tool – education, advocacy, and coalition building are the critical actions for getting the legislation passed
- When looking to pass an IZ ordinance, it is critical to find the sweet spot between creating policies that produce an adequate amount of affordable housing and putting a feasible demand on developers without making new housing construction economically infeasible<sup>6</sup>

6 <https://www.citylab.com/equity/2018/07/citylab-university-inclusionary-zoning/565181/> icy/land-dedication-incentives/expedited-processing/

# TOOL 4: ADU (ACCESSORY DWELLING UNIT) + TINY HOMES

1  
<https://accessorydwellingunits.org/what-adus-are-and-why-people-build-them/>

2  
Ibid

3  
<https://www.charleston-sc.gov/1902/Accessory-Dwelling-Units>

4  
Reference for photo: <https://maxablespace.com/granny-flat-vs-tiny-home/>

5  
Reference for photo: <https://www.sightline.org/2019/03/08/why-washington-needs-state-wide-action-on-backyard-cottages-and-in-law-apartments/>

## WHAT IS IT?

An accessory dwelling unit is the concept of having a second small dwelling right on the same grounds (or attached to) your regular single-family house. Examples include an apartment over the garage, a micro unit (on a foundation) in the backyard, or a basement apartment. Legally an ADU is part of the same property as the main home, regardless of its physical form. It cannot be bought or sold separately, as a condominium or a dwelling on wheels might be. The owner of the ADU is the owner of the main home.<sup>1</sup>

While some tiny homes are ADUs, not all ADU's are tiny homes. Tiny homes are defined as 400 square feet or less, and there are two types:

1. Tiny homes that are mobile and built on a movable trailer, legally considered a recreational vehicle (RV)
2. Tiny homes that have a foundation and are not mobile. These can qualify as ADUs.<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

ADU's are currently allowed in a variety of areas in the City of Charleston: Conservation and Rural Residential Zone Districts, Cluster Developments, and Residential districts on Daniel Island. Additionally, in areas zoned for Multifamily housing, some residents



Example of a Tiny Home<sup>4</sup>

have chosen to build ADUs instead of traditional duplexes or triplexes. Carriage houses and apartments over garages are two common types of ADUs in this region.

While the City has not directly tracked the quantity of ADUs built, efforts from the Key Performance Indicators (KPI) project<sup>3</sup> coupled with the new Energov Permitting System are creating the opportunity to use data analysis to support the supply of privately funded affordable housing in areas where need is highest.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should revise and edit the proposed ADU ordinance in Charleston from 2006 to reflect the current affordability crisis
- The city should research programs that can ensure long term affordability of ADUs
- The city should create a data set/ dashboard that allows the city to pinpoint ADU priority areas
- The city should create education programs and toolkits to help residents build ADUs on their property and should consider an incentive or grant program to encourage ADU development



Accessory Dwelling Unit in Washington State<sup>5</sup>



## LEARNING FROM SAN FRANCISCO

In 2014, facing an extreme affordable housing crisis, the San Francisco Board of Supervisors passed legislation ending a decades-long ban on new accessory dwelling units (ADUs) and established a process to legalize unwarranted dwelling units (UDUs). **To ensure affordability over time, the city required all units receiving zoning waivers to be subject to rent control.** In addition, formerly illegal units remain subject to rent control if they met the requirements. However, city departments involved in permitting did not have clear and consistent standards on what is needed to add new ADU units to existing single

family homes and apartment buildings. Instead, departments worked on a case-by-case basis, resulting in unnecessarily long review periods, inconsistencies in direction to project applicants, and a large backlog of permit applications.

In August 2019, Mayor Breed issued a call for the clearing of the backlog of 919 units waiting for approval. Since then, 439 of the backlogged in-law units have been permitted.<sup>6</sup> In addition, **the city has partnered with architecture firms to create handbooks and fact sheets for homeowners and contractors when adding a unit to an existing residential building.**<sup>7</sup>

6  
Adapted excerpt from: <https://www.planning.org/home/engage/sfadu/>

7  
Adapted excerpt from: <https://efficientgov.com/blog/2019/03/22/san-francisco-clears-adu-backlog-get-the-citys-permitting-checklist/>

8,9  
Reference for adapted excerpt and photo: <https://www.politico.com/magazine/story/2019/07/11/housing-detroit-tiny-homes-trend-227274>; photo by Michael Nemeth/ POLITICO Magazine

## LEARNING FROM DETROIT

Since 2016, Cass Community Social Services, an anti-poverty nonprofit whose roots are in the local Methodist church, has looked to address Detroit's crippling loss of housing stock and chronic level of homelessness. Using mostly donated dollars from corporations, foundations and Christian denominations, the nonprofit has built 13 tiny homes in the heart of Detroit, eight of which are occupied by a person who at one point in their lives had been homeless. In contrast to the industry trend of building tiny homes for

transitional housing, these homes **are designed to be permanent living spaces.** At an estimated construction value of \$45-\$55,000, these tiny homes provide an opportunity to build generational wealth for chronically poor people living paycheck to paycheck.<sup>8</sup>



Cass Community Services Tiny Homes<sup>9</sup>

## TAKEAWAYS:

- It is critical that cities provide clear guidelines and standards on what is needed to add new ADU units to existing homes and to ensure long term affordability of the unit. It is also important to anticipate administrative needs with ADU applications
- Positive, accessible information is key, and creating a suite of resources and tools for residents and developers is extremely helpful to make sure everyone has all the information they need

# TOOL 5: STR (SHORT TERM RENTAL) ZONING PROVISIONS

1  
<https://abcnews4.com/news/local/city-cracks-down-on-short-term-rental-with-a-crack-team>

2  
Adapted excerpt from: <https://abcnews4.com/news/local/city-cracks-down-on-short-term-rental-with-a-crack-team>

3  
Reference for photo: <https://www.charlestoncitypaper.com/TheBattery/archives/2018/06/21/it-will-cost-you-at-least-369-to-begin-listing-your-charleston-property-on-airbnb-or-homeaway>

4  
Photo by Grace Beahm Alford, accessed at [https://www.postandcourier.com/news/charleston-now-uses-software-to-find-short-term-rental-violations/article\\_6ad8bb20-1428-11e9-be47-83cf1c4bff30.html](https://www.postandcourier.com/news/charleston-now-uses-software-to-find-short-term-rental-violations/article_6ad8bb20-1428-11e9-be47-83cf1c4bff30.html)

## WHAT IS IT?

With the rise of the sharing economy, online businesses such as Airbnb and vrbo have made renting out a home, or just a room or two, an easy option for homeowners in areas not considered especially touristy. This has become an increasing problem for Charleston, which in February of 2019, had over 1600 properties online to rent, with 1300 of these properties being illegal.<sup>1</sup>

Often short term rental (STR) zoning provisions define short term as less than 30 days. However, “short term rentals” are defined differently by each community and city. Charleston’s STR regulations have three categories based on location.

## WHAT IS CHARLESTON CURRENTLY DOING?

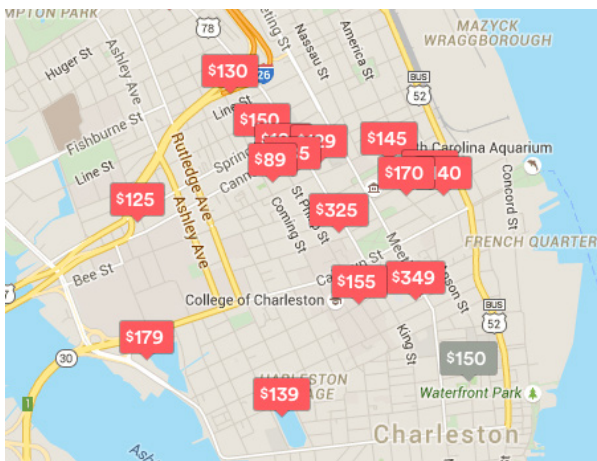
The city council approved an STR ordinance in April 2018 which allows short-term rentals citywide, but only under certain circumstances. Anyone wishing to operate a short-term rental must first get a license and whole-house rentals are completely banned under

the ordinance. Homes not occupied by full-time owners, as determined by their property tax assessment, are not eligible for STR licensing.

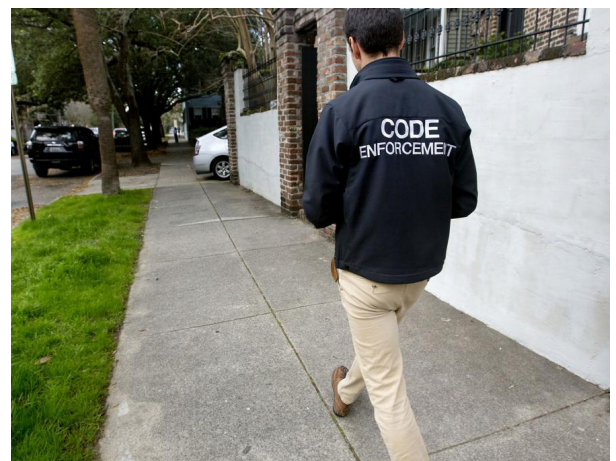
There are three full-time code enforcement officers who solely investigate and prosecute unpermitted short-term rentals, using software and data to locate illegal properties. With this ordinance, Charleston is now the only city in the nation that criminally prosecutes for illegal short-term rentals. Each conviction carries a \$1,087 fine. As of February of 2019, there were 35 convictions.<sup>2</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should look into how STR can cross-subsidize the development of affordable units and consider this in future overlay amendments
- The city should look into the feasibility of an earmarked tax on STRs like Airbnb and VRBO to go towards an affordable housing fund
- The city should consider pooling the fines for illegal STR’s for affordable housing



Examples of Airbnb listings in downtown Charleston<sup>3</sup>



City of Charleston code enforcer visits a home suspected of advertising an illegal short term rental house<sup>4</sup>

## LEARNING FROM NEW ORLEANS

In 2017, New Orleans passed legislation for a 4% STR tax and a \$1 fee per night for rental occupancy to go towards the city's Neighborhood Investment Fund. In the first 8 months that the legislation was passed, Airbnb reported turning over \$3 million in tax revenue for New Orleans and **\$230,000 for the Neighborhood Investment Fund.**<sup>5</sup>

In May of 2019, New Orleans city council passed new legislation with stricter rules on STRs in residential neighborhoods. The new rules require short-term rental owners in residential neighborhoods to live in their rental properties.<sup>6</sup>

## LEARNING FROM SEATTLE

In November of 2017, Seattle City Council passed a package of legislation that will tax short-term rental operators (Airbnb and VRBO) **with the funds intended to go toward affordable housing and the city's Equitable Development Initiative, which combats displacement.** This new package of legislation will tax short-term rental operators between \$8 and \$14 a night, depending on whether the rental is a full or partial unit. Meanwhile, **a companion bill** discussed alongside the tax **would create a regulatory framework for short-term rentals.** This



An anti-Airbnb sign at a house near the French Quarter and Marigny Triangle, popular areas for vacation rentals<sup>7</sup>

would limit short-term rentals to two dwelling units per operator, with several exceptions, such as existing long-term rental operators.<sup>8</sup>



Airbnb advertising in Pioneer Square in Seattle<sup>9</sup>

5

Adapted excerpt from: [https://www.nola.com/politics/index.ssf/2017/11/airbnb-taxes\\_new-orleans.html](https://www.nola.com/politics/index.ssf/2017/11/airbnb-taxes_new-orleans.html)

6

Adapted excerpt from: <https://www.avalara.com/mylodgetax/en/blog/2019/05/new-orleans-city-council-passes-stricter-airbnb-rules.html>

7

Photo by William Widmer for The New York Times; accessed at <https://www.nytimes.com/2016/03/06/business/airbnb-pits-neighbor-against-neighbor-in-tourist-friendly-new-orleans.html>

8, 9

Adapted excerpt and photo from: <https://nextcity.org/daily/entry/seattle-airbnb-tax-displacement>; photo by Judy Blanco

## TAKEAWAYS:

- By leveraging the popularity of legal STRs, cities like Seattle and New Orleans have created large funding pools for the development of affordable housing
- It is important to strike a balance between the strong regulation of STR's, which take valuable housing stock off the market, and providing resources for residents who see STR's as an important additional income



# TOOL 6: RAD (RENTAL ASSISTANCE DEMONSTRATION)

1

For more information on the RAD program see: <https://shelterforce.org/2018/07/30/the-promise-and-peril-of-huds-rad-program/>

2

Excerpt from: <https://www.hud.gov/RAD>

## WHAT IS IT?

Created in 2012, RAD is a fairly new HUD program available to housing authorities. RAD was created in order to give public housing authorities a tool to preserve and improve public housing properties and address the massive nationwide backlog of deferred maintenance of public housing units.<sup>1</sup> There are five basic things to know about the RAD program:

1. RAD allows public housing agencies to leverage public and private debt and equity in order to reinvest in the public housing stock. This is critical given the backlog of public housing capital needs – estimated at over \$35 billion.

2. In RAD, units move to a Section 8 platform with a long-term contract that, by law, must be renewed in perpetuity. A Use Agreement is also recorded under RAD further enforcing HUD's long-term interest. This ensures that the units remain permanently affordable to low-income households.

3. Residents benefit from a right of return, a prohibition against re-screening, and robust notification and relocation rights. Residents continue to pay 30% of their adjusted income towards the rent, maintain the same basic rights as they possess in the public housing program, and gain a new option to request tenant-based assistance if they wish to subsequently move from the property.
4. RAD maintains the ongoing public stewardship of the converted property through clear rules requiring ongoing ownership or control by a public or non-profit entity.

5. RAD is highly cost-effective, relying on shifting existing levels of public housing funds to the Section 8 accounts as properties convert.<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

Charleston Housing Authority (CHA) is currently in the process of transitioning its entire portfolio (1,407 units of public housing) to the RAD model, which is about a 7-10 year process. The CHA is currently working with consultants around the RAD conversion application and have chosen priority projects for renovation in 2020.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city and CHA should anticipate any changes that RAD will bring to the agency and staff infrastructure of the housing authority
- The city and CHA should work to create a Strategic Vision Plan for the RAD prioritized sites. This plan should ensure that redevelopment could increase density and housing stock to align with larger affordability goals.
- The city and CHA should incorporate mitigation recommendations from the Dutch Dialogues Charleston plan to future RFP/RFQ's for RAD
- The city and CHA should consider the various approaches for redevelopment procurement and what makes most sense for Charleston's portfolio (e.g. partnering with many developers? one developer? opportunities for economic development/TOD? environmental concerns?)
- The city and CHA should create an outreach strategy for managing residents' concerns and reach out to other housing authorities around strategies

## LEARNING FROM BALTIMORE

Baltimore, approved for RAD component 1 in 2015, has been taking a very innovative approach to the RAD program. The housing authority is undergoing a full portfolio conversion, splitting their portfolio in two phases. **Their process for building a team of developers resembled something similar to a fantasy football draft.** They put out their proposal as an RFQ looking for 10 developers asking them to rank their strengths and experience type, allowing them to choose a set of developers with different skillsets to fit their diverse portfolio. Each developer was matched with 2-3 projects, and the developers were brought to the city for a meeting to emphasize collaboration between developers and the importance of the different expertise each one brought to the table.

One of the developers working on the Baltimore portfolio said: “Five days after I was awarded a couple projects, I walked into a room in Baltimore with all my competitors. All of a sudden we are being forced to cross our ‘lines of competition’ and collaborate. Everyone recognized we all had a niche and we had to work together to figure this thing out.”<sup>3</sup>

Despite the success of the RFQ process, community organizers have called for more oversight to the process to ensure that the choices made by new

RAD owners benefit the public interest. Calls have pointed to cities, such as San Francisco, who **locally appointed RAD boards** to oversee the operation and properties to ensure their compliance not only with the RAD statute but locally adopted protections for residents in RAD properties.<sup>4</sup>



Allendale Apartment Complex (part of Baltimore RAD portfolio conversion) pre-renovation<sup>5</sup>



Allendale Apartment Complex after renovation using HUD's RAD program<sup>6</sup>

3  
Reference: Developer interview

4  
Adapted excerpt from: <https://www.baltimoresun.com/opinion/op-ed/bs-ed-allendale-reopening-20170522-story.html>

5  
Reference: <https://www.apartments.com/the-allendale-baltimore-md/zg66x5z/>

6  
Photos accessed at <https://www.baltimoresun.com/maryland/baltimore-city/bs-md-allendale-apartment-renovation-20170509-story.html>

### TAKEAWAYS:

- It is critical to think about the RFP/RFQ process for the RAD conversion as a place for innovation, ensuring that a city find one or more developers for the conversion that are the right fit
- It is important to anticipate residents' concerns with the program and to create strategies/programs/institutions to help alleviate these concerns

# TOOL 7: CITY LAND BANKING

1  
Excerpt  
from: <https://shelterforce.org/2016/11/09/land-banks-community-land-trusts-not-synonyms-or-antonyms-complements/>

2  
<http://www.communityprogress.net/land-banking-faq-pages-449.php>

3  
[http://cua6.urban.csuohio.edu/publications/center/great\\_lakes\\_environmental\\_finance\\_center/land\\_bank\\_best.pdf](http://cua6.urban.csuohio.edu/publications/center/great_lakes_environmental_finance_center/land_bank_best.pdf)

4  
<http://www.communityprogress.net/land-banking-faq-pages-449.php>

## WHAT IS IT?

Land banks are governmental entities or nonprofit corporations that are focused on the conversion of vacant, abandoned, and tax delinquent properties into productive use. Typically, land banks are granted special powers via state enabling legislation. These powers include the ability to remove legal and financial barriers, such as delinquent property taxes, that often make vacant and abandoned properties inaccessible or unattractive to the private market. Land banks acquire properties through different means, but the most common pipeline is the property tax foreclosure system.

Land banks are a direct response to a growing trend of vacancy and abandonment, created to strategically acquire “problem” properties and convert these liabilities into assets. In short, land banks are intended to acquire title to these problem properties, eliminate the liabilities, and transfer the properties to new, responsible owners in a transparent manner that results in outcomes consistent with community-based plans.<sup>1</sup>

While a land bank is not a silver bullet for all problems associated with blight, or even a necessary entity in all cities, in the right environment and with the right legal structure a land bank can be a key tool for returning vacant and problem property to productive use.<sup>2</sup>

In general, some best practices for Land Banking are<sup>3</sup>:

- A city-wide strategic vision integrated with land bank planning
- Closely coordinated city departments that form coalitions with other partners
- An expedited judicial foreclosure process which provides key

maintenance for acquisition of marketable titles

- An integrated management information system containing parcel-specific information
- A streamlined eminent domain process and ability to determine the terms and conditions for sale of properties
- Funding streams that are diverse, innovative and flexible.

## WHAT IS CHARLESTON CURRENTLY DOING?

Charleston does not currently have a land bank structure in place. There is also currently no comprehensive inventory of vacant or abandoned parcels to assess if this tool would be helpful in the city (although at one point in the 1990s the City did have an inventory of vacant or abandoned parcels).

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should create an inventory of all vacant or abandoned parcels, properties with delinquent taxes and parcels with title problems to assess if establishing a land bank would be needed or successful
- The city should work with the county to also create an inventory of vacant or abandoned parcels at the county level since this tool may work best at a regional scale
- The city must have county enabling legislation in order to pursue a land bank (state statute allows land banking under the Conservation Bank Act); Charleston should work with the county to advocate for legislation
- The city should look into the feasibility of creating a land bank within existing entities such as the Charleston Redevelopment Corporation<sup>4</sup>



## LEARNING FROM PHILADELPHIA

Philadelphia became the largest U.S. city with a land bank in 2013 when the City Council, after intense negotiations, unanimously approved the redevelopment tool. The Philadelphia Land Bank officially formed in 2015 with a clear mandate: to quicken the pace of returning vacant and tax delinquent property to productive use by centralizing ownership of these parcels and streamlining the redevelopment process.

In 2015, the Philadelphia Housing Development Corporation transferred 650 properties to the land trust.<sup>5</sup> By 2017, Land Bank officials announced that they had cleared some 6,000 titles for transfer and acquiring roughly 2,000 properties from other public agencies.

The land bank's 2017 strategic plan emphasizes using the land for affordable housing. It sets a target of returning nearly 2,000 properties to productive use over the next five years, with more than 1,200 of those expected to become homes, **650 of which are intended to be affordable for low-income Philadelphians.** The plan doubles the amount of land to be redeveloped as housing for people making 30 percent of the Philadelphia area median income. The affordable units will be designated for households earning less than \$20,000 per year, or 30 percent of the Philadelphia area median income of \$56,000. The land bank also aims to repurpose vacant parcels for side yards and community gardens."<sup>6</sup>

5  
<https://why.org/articles/philly-land-bank-will-finally-get-a-deposit/>

6  
Adapted excerpt from: <https://nextcity.org/daily/entry/philadelphia-land-bank-2017-vacant-lots>

7  
Reference for photo: Ibid

8  
Reference for photo: <https://why.org/articles/philly-land-bank-will-finally-get-a-deposit/>



Example of vacant lots in Philadelphia<sup>7</sup>



Pennsylvania Horticultural Society's land care program gets CDBG funds to maintain vacant properties like the one above<sup>8</sup>

### TAKEAWAYS:

- Creating an inventory of vacant/abandoned parcels is the easiest way to see if this tool would be effective for the city of Charleston (and more generally would be a useful resource for the city)
- Land banking works best for cities with a large portion of vacant and abandoned properties in their housing stock, or parcels with delinquent taxes/title concerns; in the context of Charleston, this tool may best be applied at the county level

# TOOL 8: CLT (COMMUNITY LAND TRUST)

1

Note: As a result, foreclosure rates for land trusts have been as much as 90 percent less than conventional home mortgages.

2

Adapted excerpt from: <https://community-wealth.org/strategies/panel/clts/index.html>

3

*The Charleston Redevelopment Corporation (CRC) Strategy to Disburse City of Charleston Affordable Housing Funds*

## WHAT IS IT?

Community land trusts (CLTs) are nonprofit, community-based organizations designed to ensure community stewardship of land. CLTs can be used for many types of development (including commercial and retail), but are primarily used to ensure long-term housing affordability. To do so, a trust acquires land and maintains ownership of it permanently. With prospective homeowners, it enters into a long-term, renewable lease instead of a traditional sale. When the homeowner sells, the family earns only a portion of the increased property value. The remainder is kept by the trust, preserving the affordability for future low- to moderate-income families.

By separating the ownership of land and housing, this innovative approach prevents market factors from causing prices to rise significantly, and thus guarantees that housing will remain affordable for future generations. CLTs play a critical role in building community wealth for several key reasons:

- They provide low- and moderate-income people with the opportunity to build equity and ensure these residents are not displaced due to land speculation and gentrification.
- Land trust housing also protects owners from downturns because people are not over extended.<sup>1</sup>
- Most commonly, at least one-third of a land trust's board is composed of community residents, allowing for the possibility of direct, grassroots participation in decision-making and community control of local assets.
- In addition to the development of affordable housing, many land

trusts are involved in a range of community-focused initiatives (e.g. homeownership education programs and community greening efforts).<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

In January of 2018, through a partnership between the Historic Charleston Foundation and the City, the Palmetto Community Land Trust (PCLT) was formed alongside the Charleston Redevelopment Corporation (CRC).

In 2019, the City of Charleston received \$10M in funds from a settlement with the Local Development Corporation (LDC). These funds are to be used for affordable housing in the City, and managed by the CRC. The Palmetto Community Land Trust (PCLT) is a division of, and program of, the CRC. About one-third of that settlement funding is allocated for CRC subsidy investments directly in land trust projects through PCLT.<sup>3</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

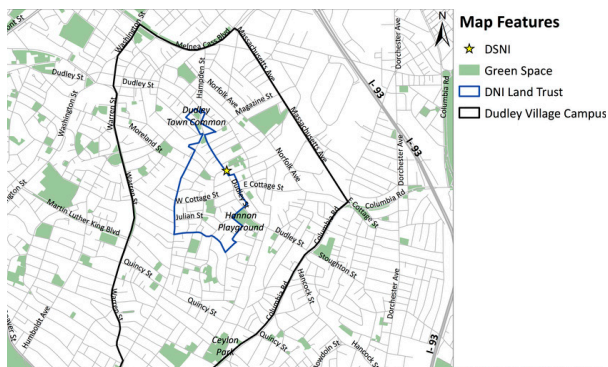
- The city should support the newly developed CLT by helping them locate a signature project in Charleston
- The city should create a dashboard of projects that could be acquired by the land trust
- The city should consider how to create partnerships with organizations like CHHP (Center for Heir's Property Preservation) to build in conservation easements into the land trust for heir's property, and help assist the organization in a variety of ways (e.g. provide GIS support to create a dashboard of heirs' property in Charleston)

## LEARNING FROM BOSTON'S DSNI

DSNI is a community land trust formed in the late 1980s in the Roxbury neighborhood of Boston. Residents were able to establish community control over 1,300 parcels of abandoned land through a comprehensive organizing and planning effort. As part of this effort, the City of Boston granted the power of eminent domain over much of the privately-owned vacant land in the 62 acre area known as the “Dudley Triangle.”

Today, Dudley Neighbors Inc. is

recognized as one of the nation’s most successful urban community land trusts and serves as a **model of promoting development without displacement and long-term control over land.** The land trust controls more than 30 acres of formerly vacant, blighted land in the Dudley Triangle. This land has been transformed into 225 new affordable homes, a 10,000 square foot community greenhouse, urban farm, a playground, gardens, and other amenities.<sup>4</sup>



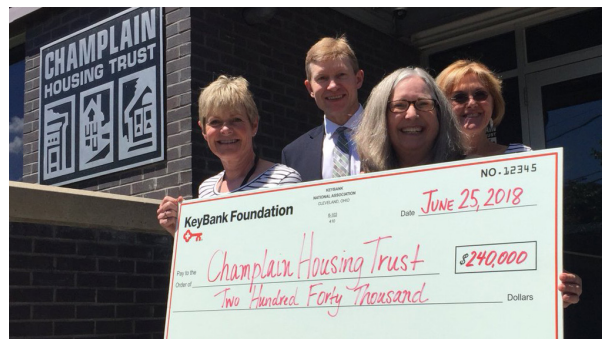
Map showing area of DSNI Land Trust<sup>5</sup>



DSNI's portfolio includes a community greenhouse and urban farm<sup>6</sup>

## LEARNING FROM CHAMPLAIN HOUSING TRUST

Champlain Housing Trust in northwest Vermont, is the largest community land trust in the U.S. With over \$223 million in assets under its stewardship, **the nonprofit also provides homebuyer education classes, offers loans for repairs and energy efficiency work,** and develops residential and commercial properties—work, that in 2009 alone, provided 260 construction jobs.<sup>7</sup>



A local foundation providing donation to Champlain Housing Trust<sup>8</sup>

## TAKEAWAYS:

- It is important for a city to help a young CLT create a signature project for a land trust in order to help a land trust gain momentum
- It is important to consider how a land trust can move beyond developing affordable housing, to also providing key programs and resources such as homebuyer classes

4 Adapted excerpt from: <https://www.dudleyneighbors.org/background.html>

5 Reference for photo: <https://www.dsni.org/about-the-neighborhood>

6 Reference for photo: <https://solutions.thischangementeverything.org/module/dudley-street-neighborhood-initiative>

7 Adapted excerpt from: <https://communitywealth.org/strategies/panel/clts/index.html>

8 Reference for photo: <https://twitter.com/chtrust/status/1011600768523268096>



# TOOL 9: HISTORIC PRESERVATION AND CULTURAL DISTRICTS

1  
<https://www.laconservancy.org/historic-preservation-overlay-zone-hpoz>

2  
<https://www.citylab.com/equity/2019/06/preservation-gentrification-affordable-housing-chicago-pilsen/592165/>

3  
Reference for photo: <https://danielisland.com/real-estate/property-search/properties/59-meeting-street/1800-1835/>

4  
Adapted excerpt from: <https://www.citylab.com/equity/2016/12/using-preservation-to-stop-gentrification-before-it-starts/510653/>

5  
Reference for photo: <https://www.lrcprop.com/property/golden-belt/>

## WHAT IS IT?

Historic districts in the United States are designated areas recognizing a group of buildings, properties, or sites by one of several entities on different levels as historically or architecturally significant.

A Historic Preservation Overlay Zone, or HPOZ, is a zoning tool that protects and preserves neighborhoods composed of architecturally and historically significant structures. A type of historic district, HPOZs primarily protect single-family residential neighborhoods.<sup>1</sup> More and more, cities are using historic preservation to preserve affordability in neighborhoods that are likely to experience neighborhood change.<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

Charleston's **Downtown historic district** and old city height districts provide

various regulations to preserve the historic architectural character in the old city district and historic district. The BAR process and other design review guidelines help in preservation goals.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should create a dashboard showing which neighborhoods in Charleston are at high risk for experiencing gentrification
- The city should consider creating new historic districts for neighborhoods that are at risk for gentrification



Charleston Historic District<sup>3</sup>

## LEARNING FROM DURHAM'S GOLDEN BELT

In Durham's Golden Belt Neighborhood, preservationists are hoping a local historic designation can prevent—or at least delay—gentrification. In the fall of 2015, Durham City Council approved the historic designation for Golden Belt, a racially diverse area with a mix of renters and owners, and which has always been a mostly working class community. A former mill village built in 1900, Golden Belt was a neighborhood for workers of the Golden Belt Manufacturing Company. The neighborhood is roughly 10 square blocks lined with small homes built in styles typical of that era, with porches, gabled roofs and yards big enough for millworkers to keep

gardens and chickens. The area has not yet succumbed to the intense market forces currently reshaping Durham and residents are hoping to **put in place protections that will help both its people and its character remain in place.**<sup>4</sup>



Golden Belt, a historic textile mill is fully restored for creatively reuse<sup>5</sup>

## LEARNING FROM SEATTLE'S CENTRAL DISTRICT - AFRICATOWN

The heart of Seattle's black community is Seattle's Central District, which is a neighborhood that is rapidly gentrifying. The area's population was more than 70 percent black in the 1960s and today, is less than 20 percent black. In order to reverse this trend, Africatown was formed as a broad-reaching concept which incorporates a community land trust, a preservation and development association, and opportunities for community engagement in design.<sup>6</sup> By taking a note from Chinatowns, Africatown is **using historic preservation**

**tools for African-Americans and African immigrants in the Central District.** With a \$50,000 seed grant from the City of Seattle, the CDC is creating a Central Area Arts and Cultural District to help spur black owned businesses and tourist destinations for the area. Simultaneously, the Africatown CLT is looking to "steward and develop land assets that are necessary for the Black/African diaspora community to grow and thrive in place in the Central District as well as support other individuals and organizations in retention and development of land."<sup>7</sup>

6  
<https://www.lafoundation.org/news/2019/01/africatown>

7  
Adapted excerpt from: <https://www.seattle-times.com/seattle-news/central-districts-shrinking-black-community-wonders-whats-next/>

8  
Reference for photo: <https://southseattlemerald.com/tag/africatown/>



Africatown Midtown Commons mixed-use apartment development<sup>8</sup>

### TAKEAWAYS:

- While landmarking has the reputation of hastening gentrification, historic preservation districts can be used to try to bake in affordability and wealth into a neighborhood before gentrification
- Many cities using historic districts to try to combat gentrification are also coupling this ordinance with an Affordable Requirement Ordinance<sup>9</sup>
- It is important to understand that historic districting is a tool that has been used successfully to prevent and preserve affordability, and is more difficult to apply to a neighborhood that is already experiencing displacement<sup>10</sup>

9  
<https://www.citylab.com/equity/2019/06/preservation-gentrification-affordable-housing-chicago-pilsen/592165/>

10  
<https://www.citylab.com/equity/2019/06/preservation-gentrification-affordable-housing-chicago-pilsen/592165/>

# TOOL 10: TOD (TRANSIT ORIENTED DEVELOPMENT)

1  
<https://www.itdp.org/library/standards-and-guides/the-bus-rapid-transit-standard/what-is-brt/>

2  
<https://chstoday.6amcity.com/lowcountry-rapid-transit-system-in-charleston-sc/>

3  
Reference for photo: <https://chstoday.6amcity.com/lowcountry-rapid-transit-system-in-charleston-sc/>

## WHAT IS IT?

Transit Oriented Development (TOD) is a type of urban development that maximizes the amount of residential, business and leisure space within walking distance of public transport. Many planning departments and cities are taking advantage of TOD strategies to make areas outside of the core city more accessible, meaning that residents can live in more affordable housing while still being able to access jobs/amenities outside their neighborhood.

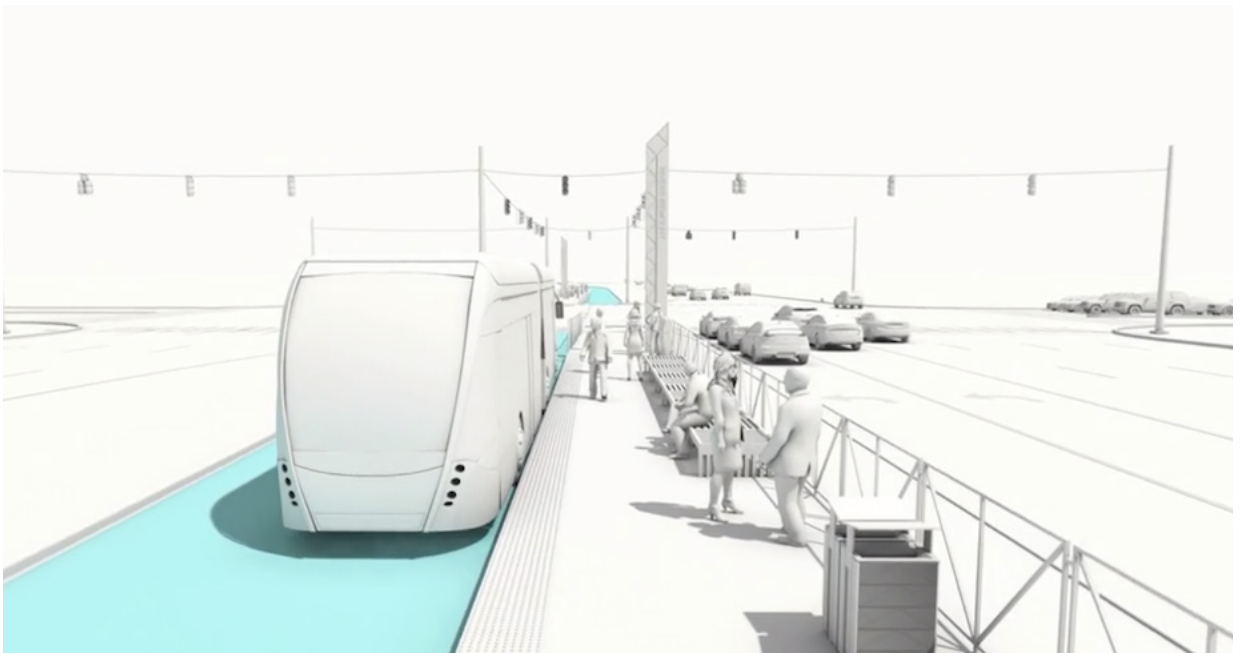
## WHAT IS CHARLESTON CURRENTLY DOING?

Charleston County has recently proposed the **Lowcountry Rapid Transit (LCRT)**, bus rapid transit system, as a new model for mass transit for the region. Bus Rapid Transit (BRT) is a bus-based transit system that delivers fast services at metro-level capacities. It does this through the provision of dedicated lanes,

with busways and stations typically aligned to the center of the road, off-board fare collection, and fast and frequent operations.<sup>1</sup> The Lowcountry Rapid Transit service will operate along a fixed route, similar to light rail (without the rails). Starting in 2019, a two-year federally mandated environmental review of the entire proposed route will be conducted. Construction is anticipated to begin in 2023, with an expected opening in 2025.<sup>2</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should evaluate the BRT nodes falling within the city to determine the creation of TOD affordable housing preemptive policies
- The city should create a specific set of policies for areas near a new BRT station and other new transit nodes to incentivize workforce housing



Rendering of a station along the LCRT, Provided by Lowcountry Rapid Transit<sup>3</sup>



## LEARNING FROM DENVER

Denver is in the midst of massive additions of light rail, commuter rail, and BRT within the next several years. In advance of these projects, **the city, Enterprise Community Partners, and affordable housing developers worked together to create the Denver Regional Transit-Oriented Development Fund.**<sup>4</sup>

The fund provides developers a loan to purchase and hold land for five years for affordable housing developments within a half-mile of rail and a quarter-mile of high frequency bus stations. Provisioning land while the transit lines are still being constructed allows affordable housing developers to purchase parcels at more reasonable prices.

Since the Fund's inception, sixteen loans have been made, deploying \$32.8 million in capital for acquisition of land or operating properties near public transit in the Denver Metro area. Of the sixteen loans made, eleven loans have been repaid, allowing money to be recycled into future acquisitions, creating additional leverage for all the Fund's investors. **The loans made to-date have created or preserved 1,354 affordable homes,** a new public library, and well over 100,000 square feet of supportive

commercial and non-profit space, all near public transit.<sup>5</sup>



Examples of Denver TOD<sup>6</sup>

4

Adapted excerpt from: <https://mobilitylab.org/2016/04/28/affordable-housing-and-transit/>

5

<https://www.entrepreneur.com/industry/financing-and-development/community-loan-fund/denver-regional-tod-fund>

6

Reference for top photo: <https://ggwash.org/view/38850/denvers-beautiful-union-station-mixes-old-and-new>

Reference for middle photo: <https://mobilitylab.org/2016/04/28/affordable-housing-and-transit/>

Reference for bottom photo: <https://drcog.org/planning-great-region/implementing-metro-vision/transit-oriented-development>

## TAKEAWAYS:

- In many cities, the introduction of new transit systems has sparked new development interest around nodes of transit; to combat the potential displacement of residents around these nodes, affordable housing and transit development should be considered hand in hand
- Affordable housing policies should be introduced as soon as possible with TOD in order to bake in affordability in these areas
- Affordable housing creates more diverse and economically sustainable communities: working to focus affordable housing near transit will only serve to increase its benefits.<sup>7</sup>

7

<https://mobilitylab.org/2016/04/28/affordable-housing-and-transit/>

# ZONING/PLANNING TOOLS CHECKLIST OF ACTION ITEMS

## TOOL 1: ZONING INCENTIVES

- ☐ The city should increase zoning incentives for workforce housing (e.g. density bonuses, parking requirement reductions, automatic up-zoning near transit sites)
- ☐ The city should expand zoning incentives to more districts in the city
- ☐ The city should consider creating a tiered system depending on development types
- ☐ The city should look at revising zoning standards to allow for infill development for new affordable single-family housing (i.e. more flexible building setbacks and more flexible subdivision standards)

## TOOL 2: EXPEDITED PROCESSING, FEE WAIVERS, REDUCED PARKING

- ☐ The city should expand Fee Waivers for market rate projects that include a portion of affordable housing
- ☐ The city should hire and/or train a current staff member to be an “affordable housing concierge” who would personally oversee the approval of affordable projects in the planning department and would check submission before review
- ☐ The city should create affordable materials standards
- ☐ The city should create an accelerated design review, with a specific affordable housing review committee and fast track appeals to the Mayor

## TOOL 3: INCLUSIONARY ZONING

- ☐ The city should continue to advocate at the state level for state enabling legislation in order to pursue a mandatory inclusionary zoning ordinance
- ☐ The city should educate residents and improve advocacy around passing state enabling legislation
- ☐ In the absence of state enabling legislation, the city should work with elected officials to see how to use the Priority Investment Act to achieve similar results of a mandatory inclusionary zoning ordinance

## TOOL 4: ADU (ACCESSORY DWELLING UNITS) AND TINY HOMES

- ☐ The city should revise and edit the proposed ADU ordinance in Charleston from 2006 to reflect the current affordability crisis
- ☐ The city should research programs that can ensure long term affordability of ADUs
- ☐ The city should create a data set/dashboard that allows the city to pinpoint ADU priority areas
- ☐ The city should create education programs and toolkits to help residents build ADUs on their property and should consider an incentive or grant program to encourage ADU development

## TOOL 5: STR (SHORT TERM RENTALS) ZONING PROVISIONS

- ☐ The city should look into how STR can cross-subsidize the development of affordable units and consider this in future overlay amendments
- ☐ The city should look into the feasibility of an earmarked tax on STRs like Airbnb and VRBO to go towards an affordable housing fund
- ☐ The city should consider pooling the fines for illegal STR's for affordable housing

**TOOL 6:  
RAD (RENTAL  
ASSISTANCE  
DEMONSTRATION)**

- ☐ The city and CHA should anticipate any changes that RAD will bring to the agency and staff infrastructure of the housing authority
- ☐ The city and CHA should work to create a Strategic Vision Plan for the RAD prioritized sites. This plan should ensure that redevelopment could increase density and housing stock for the city to align with larger affordability goals.
- ☐ The city and CHA should incorporate mitigation recommendations from the Dutch Dialogues Charleston plan to future RFP/RFQ's for RAD
- ☐ The city and CHA should consider the various approaches for redevelopment procurement and what makes most sense for Charleston's portfolio
- ☐ The city and CHA should create an outreach strategy for managing resident's concerns and reach out to other housing authorities around strategies

**TOOL 7:  
CITY LAND  
BANKING**

- ☐ The city should create an inventory of all vacant or abandoned parcels, properties with delinquent taxes and parcels with title problems to assess if establishing a land bank would be needed or successful
- ☐ The city should work with the county to also create an inventory of vacant or abandoned parcels at the county level since this tool may work best at a regional scale
- ☐ The city must have county enabling legislation in order to pursue a land bank (state statute allows land banking under the Conservation Bank Act); Charleston should work with the county to advocate for legislation
- ☐ The city should look into the feasibility of creating a land bank within existing entities such as the Charleston Redevelopment Corporation

**TOOL 8:  
CLT  
(COMMUNITY  
LAND TRUST)**

- ☐ The city should support the newly developed CLT by helping them locate a signature project in Charleston
- ☐ The city should create a dashboard of projects that could be acquired by the land trust
- ☐ The city should consider how to create partnerships with organizations like CHHP (Center for Heir's Property Preservation) to build in conservation easements into the land trust for heir's property, and help assist the organization in a variety of ways (e.g. provide GIS support to create a dashboard of heirs properties in Charleston)

**TOOL 9:  
HISTORIC  
PRESERVATION  
AND CULTURAL  
DISTRICTS**

- ☐ The city should create a dashboard showing which neighborhoods in Charleston are at high risk for experiencing gentrification
- ☐ The city should consider creating new historic districts for neighborhoods that are at risk for gentrification

**TOOL 10:  
TOD (TRANSIT  
ORIENTED  
DEVELOPMENT)**

- ☐ The city should evaluate the BRT nodes falling within the city to determine the creation of TOD affordable housing preemptive policies
- ☐ The city should create a specific set of policies for areas near a new BRT station and other new transit nodes to incentivize workforce housing



# FUNDING TOOLS

## Overview

This section expands on ten Funding Tools and policies that Charleston could utilize for increasing affordable housing production. These are:

**TOOL 1:  
AFFORDABLE  
HOUSING TRUST  
FUND**

**TOOL 2:  
AFFORDABLE  
HOUSING BONDS**

**TOOL 3:  
LEVYING A  
PENNY TAX**

**TOOL 4:  
FEE IN LIEU &  
IMPACT FEES**

**TOOL 5:  
TIF (TAX  
INCREMENT  
FINANCE)**

**TOOL 6:  
TAX CREDITS**

**TOOL 7:  
TAX  
ABATEMENTS &  
THE BAILEY  
BILL**

**TOOL 8:  
OPPORTUNITY  
ZONES**

**TOOL 9:  
HUD  
PROGRAMS**

**TOOL 10:  
PHILANTHROPIC  
FUNDING**

Many of these tools are aimed at either providing financial incentives for developers or creating new revenue streams for affordable housing production and preservation. Like the zoning/ policy toolkit these tools range in scales – from the local level all the way to the federal level. Many of these tools are dependent on creating partnerships with the private sector as well as various lawmakers on the regional and state level. Some of these tools Charleston has already begun implementing, and for these tools recommendations are provided to strengthen the tool.

# TOOL 1: AFFORDABLE HOUSING TRUST FUND

1  
Excerpt from:  
<https://housingtrustfundproject.org/>

2  
<http://http.wpengine.com/htfelements/>

3  
Excerpt from:  
<http://http.wpengine.com/housing-trust-funds/>

4  
[https://www.postandcourier.com/business/real\\_estate/affordable-housing-in-the-charleston-area-being-created-slowly-haltingly/article\\_0d8ed328-57e4-11e9-bc3f-6fa52aacf814.html](https://www.postandcourier.com/business/real_estate/affordable-housing-in-the-charleston-area-being-created-slowly-haltingly/article_0d8ed328-57e4-11e9-bc3f-6fa52aacf814.html)

5  
<https://charlestonareajusticeministry.org/work/affordable-housing/>

6  
<http://http.wpengine.com/htfelements/>

## WHAT IS IT?

Housing trust funds are distinct funds established by city, county or state governments. These trust funds receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing and increase opportunities for families and individuals to access decent affordable homes. Housing trust funds systemically shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue. While housing trust funds can also be a repository for private donations, they are not public/private partnerships, nor are they endowed funds operating from interest and other earnings.<sup>1</sup>

The popularity of housing trust funds is attributable in large part to their inherent flexibility. They can be designed to serve the most critical housing needs in each community, whatever those may be – such as establishing long term affordable rental housing, supporting homeownership, funding new construction and rehabilitation projects that can revitalize neighborhoods, and addressing the needs of special populations.<sup>2</sup>

The model of dedicating public revenues to create a distinct fund supporting affordable housing has been embraced nationally. Over 800 housing trust funds in cities, counties and states generate more than \$2.5 billion a year to support critical housing needs. These trust funds are a result of community organizers, housing advocates, and elected officials, coming together to advocate for a permanent stream of

funding for affordable housing as a public priority.<sup>3</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

In 2004 the Lowcountry Housing Trust was established as a housing trust for Charleston. However, due to the lack of a sustained source of funding, in 2007 the organization had to pivot and became the South Carolina Community Loan Fund (CLF), a nonprofit lender.<sup>4</sup>

While there is no established housing trust in Charleston, there have been grassroots calls for a Regional Housing Trust by CAJM (Charleston Area Justice Ministry), who in 2017 created a proposal for a Regional Housing Trust Fund.<sup>5</sup>

In 2019, the Charleston County Affordable Housing Task Force also made establishing a regional affordable housing trust fund one of their top policy priorities.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

–The city should develop a curriculum of education/advocacy around the success of the Housing Trust Fund model

–The city should continue to bring a key group of stakeholders together to create a housing trust fund proposal for city council and establish buy in for this model

–The city should define the three key elements of the housing trust fund proposal, which are<sup>6</sup>:

- a consistent funding stream to make a housing trust fund successful
- who will be managing the fund
- what and who the fund will support



## LEARNING FROM LOUISVILLE

The Louisville Metro Affordable Housing Trust Fund (LAHTF) was created by Metro Council as a way for Louisville to invest additional local public funds to address the affordable housing shortage for individuals such as working families, seniors, people with disabilities, veterans or others whose wages are not enough to maintain a stable place to live.

The Trust has received annual allocations from Louisville Metro Government and from corporate and individual donations, but still does not have a dedicated revenue source. The city is currently looking at an increase to the insurance premium tax as a

dedicated source of funding for the trust. With a 1% increase in the insurance premium tax, Louisville would establish an estimated \$10.15 million annually in dedicated public revenue for the LAHTF to help struggling families and individuals.<sup>7</sup>

Since its creation, **the LAHTF has allocated \$13,070,000, has helped create 116 single family homes and has also created or preserved 1,387 units of affordable housing.**<sup>8</sup> In 2018, LAHTF allocated \$8.76 million of the city funds to 22 development projects which together leverage more than \$150 million in public and private funds.<sup>9</sup>

7 <https://louisvilleky.gov/government/housing-community-development/louisville-affordable-housing-trust-fund>

8 <http://loustrustfund.org/>

9 <https://insiderlouisville.com/government/affordable-housing-trust-fund-allocates-8-76-million-to-create-or-preserve-1115-housing-units/>

10 Reference for photo: <https://housingtrustfundproject.org/2-5-million-for-the-louisville-affordable-housing-trust-fund/>



Housing advocates in Louisville celebrate the commitment of \$2.5 million in the budget for the Affordable Housing Trust Fund<sup>10</sup>

### TAKEAWAYS:

- Creating a coalition of stakeholders dedicated to the creation of a housing trust fund is critical
- Devising a plan of action for a consistent funding stream is critical for the health of a housing trust fund
- Housing trust funds are a proven tool to help communities leverage funds and provide a consistent source of revenue for affordable housing for cities, regions, and states

# TOOL 2: AFFORDABLE HOUSING BONDS

1

Adapted excerpt from: <https://www.localhousing solutions.org/act/housing-policy-library/general-obligation-bonds-for-affordable-housing-overview/general-obligation-bonds-for-affordable-housing/>

2

<https://www.live5news.com/2019/02/14/city-charleston-awards-million-bond-affordable-housing-developments/>

## WHAT IS IT?

General obligation (G.O.) bonds are government-issued bonds that are repaid from state or local general funds or a dedicated tax. The issuing entity (e.g. the city) places its full faith and credit in paying back the purchasers of the bond. The proceeds can be used by cities, counties or states to provide subsidies for affordable housing projects or to fund other affordable housing programs.

Securing general obligation bonds can be challenging, as many jurisdictions require a special election to authorize a bond issue. In preparing a ballot measure, sponsors of the bond issue will need to make a series of decisions, including the amount requested, what revenue source(s) will be tapped to repay the bonds and the time period over which the proceeds will be allocated.

Once issued, the proceeds from G.O. bonds for housing can be used flexibly—to fill financing gaps, fund state/local affordable housing programs, or achieve other goals. Because the interest on the bonds is exempt from federal and sometimes state income tax, and sale of the bonds is subject to a competitive bidding process, the funds can be raised at relatively low interest rates.

Many jurisdictions use G.O. bonds to capitalize a housing trust fund or provide funding to support an existing housing program. In this case, the eligible uses will be governed by policies applicable to the housing trust fund or the program being funded. Because G.O. bond issues result in a limited, one-time infusion of capital, they are also well-suited for raising revenue for a specific new initiative or to achieve a series of objectives.<sup>1</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

In 2017, Charleston passed a 20 million bond referendum to be allocated to: buying land and building new multi-family housing, renovating current housing facilities and some historic city properties, and also providing gap funding financing for LIHTC projects.

In early 2019 the city announced that the bond funds will assist in funding eight projects across the Charleston area that are expected to create 599 affordable rental units. Two of the projects are city projects located on the peninsula and some of the other projects will be on Johns Island and in West Ashley. One80 Place, a homeless shelter in downtown Charleston, will also receive a portion of that funding to build up to 70 rental units on the mix-use property they own next to the shelter.<sup>2</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should create an evaluation of the 2017 G.O. Bond in Charleston identifying areas of success and areas of improvement for future iterations of bond referendums. Specifically, the city should evaluate certain legal barriers (e.g. state statute barriers that restrict how funding is allocated) and funding sources (e.g. the use of soft financing rather than hard financing) for future iterations.
- The city should develop an education/communication strategy to promote the impact of the 2017 G.O. bond
- The city should work with grassroots organizers around voter engagement strategies for future referendums

## LEARNING FROM AUSTIN

Austin's 2013 Affordable Housing Bond of **\$65 million leveraged \$436,101,913 in outside funding (a 7:1 ratio) and resulted in 2,486 affordable units.** More than half of the funding acquired land for home construction and preserved housing for low- to-moderate income households. Roughly 20 percent of funds assisted first-time homebuyers and supported homeowner repair programs to serve low-income seniors, persons with mobility impairments, children who were abused or neglected, and persons with mental illness.<sup>3</sup>

After the success of the 2013 G.O. bond grassroots organizers pushed for Austin officials to approve a bond initiative that would provide the funding to create new affordable units, finance public housing upgrades, and purchase a large swath of land to be used by the

city for future housing development. Three Austin council members created an **"affordable housing voting bloc"** to push legislation through. One council member said: "For us to address the current crisis, we need something much larger than our traditional \$50- or \$60-million housing bonds."<sup>4</sup>

In November of 2018, the city's \$250 million affordable housing bond, Proposition A, received the support of nearly 73 percent of the from Austin voters who live in Travis County. Proposition A will funnel \$100 million into land acquisition for affordable housing development, \$98 million into rental housing development assistance, \$28 million into a homeownership program and another \$28 million into home repairs and rehabilitation.<sup>5</sup>

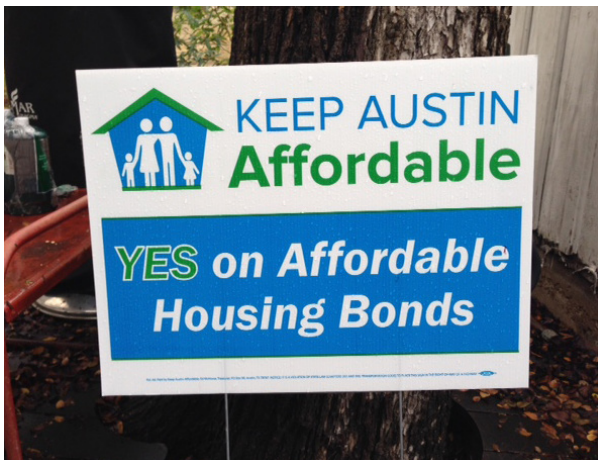
3 <http://www.austintexas.gov/department/return-on-investment>

4 <https://www.thenation.com/article/activists-austin-novel-plan-tackle-affordable-housing-crisis/>

5 <https://www.bizjournals.com/austin/news/2018/11/07/2018-election-250m-affordable-housing-bond.html>

6 Reference for photo: <https://texashousers.net/2013/11/10/austin-housing-bonds-won-record-support-in-both-rich-and-poor-parts-of-town/>

7 Reference for photo: <https://www.bizjournals.com/austin/news/2018/11/07/2018-election-250m-affordable-housing-bond.html>



Proposition A Signage<sup>6</sup>



Nonprofit leaders celebrate at a Proposition A watch party during the 2018 election<sup>7</sup>

## TAKEAWAYS:

- Cities can build off the success of bond referendums by communicating and promoting the impact of bond funding in order to encourage voter engagement in future bond measures
- When devising the structure of bond funding, it is important to work with the development community to understand how the bond funds can be leveraged and utilized for their greatest impact and work with city council members to ensure political feasibility

# TOOL 3: LEVYING A PENNY TAX

1  
<https://roads.charlestoncounty.org/index.php?page=program-history>

2  
[https://www.poststandcourier.com/news/charleston-county-council-task-force-recommends-tax-increase-to-fund/article\\_175de982-71a4-11e9-b5b9-53e9c3b8a03b.html](https://www.poststandcourier.com/news/charleston-county-council-task-force-recommends-tax-increase-to-fund/article_175de982-71a4-11e9-b5b9-53e9c3b8a03b.html)

3  
<https://www.fairfaxcounty.gov/budget/sites/budget/files/assets/documents/fy2019/advertised/volume2/30300.pdf>

4  
[http://www.fairfaxtimes.com/articles/georgetown-law-professor-running-for-bos-chair/article\\_376ff6be-41ef-11e9-8f4c-9bfaa8a72119.html](http://www.fairfaxtimes.com/articles/georgetown-law-professor-running-for-bos-chair/article_376ff6be-41ef-11e9-8f4c-9bfaa8a72119.html)

5  
[http://www.fairfaxtimes.com/articles/georgetown-law-professor-running-for-bos-chair/article\\_376ff6be-41ef-11e9-8f4c-9bfaa8a72119.html](http://www.fairfaxtimes.com/articles/georgetown-law-professor-running-for-bos-chair/article_376ff6be-41ef-11e9-8f4c-9bfaa8a72119.html)

## WHAT IS IT?

Cities across the country have utilized the tool of levying penny taxes to create funds for different purposes. Many cities have passed a penny tax specifically for affordable housing funds or to fund the implementation of strategic housing plans. Policies range from implementing a 1 cent tax increase on property tax or sales tax to go towards housing funds.

## WHAT IS CHARLESTON CURRENTLY DOING:

In November 2016, Charleston County voted to add a half-cent sales tax for transportation. The passing of this ordinance adds an additional half-cent to purchases made within the County beginning May 2017 for twenty-five (25) years, or until \$2.1 billion is collected.<sup>1</sup>

Building off that precedent, in May of 2019, the Charleston County Affordable Housing Task force recommended raising property taxes to fund affordable housing efforts. The proposed property tax increase would create \$3.7 million a year. For an owner-occupied home

worth \$250,000, it would add \$10 to the bill. Owners of a business or rental property worth the same amount would pay an additional \$15 in taxes annually. The task force also recommended that the tax money collected could be put into a nonprofit, like the S.C. Community Loan Fund, and managed as a revolving loan fund.<sup>2</sup>

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should look into the feasibility of earmarking or proposing a “penny for housing” system within current tax structures
- The city should continue to work with the county and the county’s affordable housing task force to advocate for levying a property tax increase, and should also use this partnership to look into the feasibility of that tax revenue acting as a consistent funding stream for a regional affordable housing trust fund

## LEARNING FROM FAIRFAX COUNTY

Fairfax county’s Fund 30300: The Penny for Affordable Housing, formerly known as the Housing Flexibility Fund, was established in 2006 and is designed to serve as a readily available local funding source to preserve and promote the development of affordable housing. For fiscal years 2006 through 2009, the Board of Supervisors (BOS) dedicated revenue commensurate with the value of one cent from the real estate tax rate to the preservation of affordable housing, a major county priority.

**From FY 2006 through FY 2017,**

**the fund has provided a total of \$216.8 million for affordable housing in Fairfax County,<sup>3</sup> and has preserved 3,000 affordable units.<sup>4</sup>** However, a reduction in annual funding imposed in 2010 means the fund is now receiving only a half-cent in revenue from the county’s real estate tax instead of the intended penny, leading many housing advocates to call for a return to the full cent tax.<sup>5</sup>



## LEARNING FROM RALEIGH

In 2017, The Raleigh North Carolina City Council approved the passage of a 2 cent property tax rate increase in its annual budget. Under the “penny for housing” proposal, **the city voted to collect an additional \$5.7 million in property taxes each year specifically for affordable housing.**

Raleigh’s Affordable Housing Implementation Plan adopted by City Council in 2015 is intended to guide the City’s affordable housing investments through 2020. The Plan laid out seven options to address the City’s housing needs in a more aggressive fashion, including finding sustaining sources of funding with a permanent affordable housing funding source.

The City of Raleigh has used general obligation bonds since 1990 to supplement funding available from the federal government for affordable housing. The most recent was approved by the voters in 2011 for \$16 million.

According to the City’s Housing and Neighborhood Department, of the

\$5.7 million raised through the penny tax \$5 million will be used to support the creation and preservation of affordable rental homes in areas near employment and transit lines and in downtown neighborhoods. The remaining \$700,000 will support the City’s homeowner rehabilitation program, focusing on Southeast Raleigh. Low-income homeowners can apply for a zero-interest loan with a flexible payment schedule to make repairs on their homes. A distinct housing trust fund has not been established, but the funds are targeted to these specific uses and the dedicated public revenue for affordable housing was a first for Raleigh.<sup>6</sup>

In addition to the city level tax, the Wake County Board of Commissioners approved a 4 cent property tax increase in 2018, with proceeds split between public schools and the county’s affordable housing efforts.<sup>7</sup>

6

Adapted excerpt from: <https://housingtrustfundproject.org/raleigh-north-carolina-commits-property-tax-revenues-to-affordable-housing/>

7

<https://www.newsobserver.com/news/local/counties/wake-county/article212511064.html>

8

Reference for photo: <https://www.newsobserver.com/news/local/counties/wake-county/article212511064.html>



Wake County Board of Commissioners approve a property tax increase for affordable housing<sup>8</sup>

### TAKEAWAYS:

- Levying a penny tax can be an efficient and expedient way for cities to produce a consistent revenue stream for an Affordable Housing Trust fund
- This tool can be implemented both at both the city and county levels, depending on the context and regional need



# TOOL 4: FEE IN LIEU & IMPACT FEES

1  
<https://inclusion-aryhousing.org/designing-a-policy/off-site-development/in-lieu-fees/setting-the-in-lieu-fee/>

2  
<https://inclusion-aryhousing.org/designing-a-policy/off-site-development/in-lieu-fees/setting-the-in-lieu-fee/>

3  
<https://sccommunityloanfund.org/blog/2017/07/18/charleston-workforce-housing-zoning/>

4  
[https://www.postandcourier.com/business/new-hotel-rules-for-charleston-move-forward-but-one-more/article\\_85e0ca10-d332-11e9-84d1-f357a6e7911c.html](https://www.postandcourier.com/business/new-hotel-rules-for-charleston-move-forward-but-one-more/article_85e0ca10-d332-11e9-84d1-f357a6e7911c.html)

## WHAT IS IT?

As was discussed in the previous section on Zoning and Policy tools, many jurisdictions are using inclusionary zoning to set affordable housing requirements for new developments (see page 50). Some communities allow developers to satisfy their inclusionary requirements in other ways than providing affordable units on-site.

One common alternative cities offer is for developers to pay a **fee in lieu**. In lieu-fees are generally paid into a housing trust fund and used (often along with other local funding sources) to finance affordable housing developed off site.

In order to set their fee level, a jurisdiction has to determine their ideal outcome: do they want to encourage on-site production or do they want to incentivize developers to pay the fee so that the city can collect the revenue and build units on a different site? Typically the higher the fee, the higher the chance that developers will choose to build units on site.<sup>1</sup>

In-lieu fees are often confused with a different tool that cities use, called linkage or **impact fees**. They are called linkage fees because they attempt to link the production of market-rate real estate to the production of affordable housing. In some states, communities can charge developers a fee for each square foot of new market-rate construction and use the funds to pay for affordable housing. These programs are structured to require a fee rather than requiring units onsite.

When a developer is required to build units onsite but allowed to pay a fee as an alternative the fee is called an 'in-lieu fee.' When a program is structured to require fees instead of requiring onsite units, the fee is called an 'impact fee' or 'linkage fee.'<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

In 2017, Charleston updated their MU/WH zoning to offer a fee-in-lieu alternative to the inclusion requirement. Developers wanting designation for their properties as a workforce housing zone now have two options under the rules.

1. Offer below-market rents in 20% of their units for 25 years, or
2. Pay the city \$5.10 per square foot to opt out of that requirement.

As further incentive to opt in to either the fee-in-lieu or the inclusion requirement, developers can build significantly more units than the base zoning allows. Additionally, the zoning rules require developers to provide below-market rents for a period of 25 years.<sup>3</sup>

In 2019, Charleston also created a new impact fee in the form of a hotel ordinance, which requires developers of any new hotel development to pay \$5.10/sq ft into affordable housing fund.<sup>4</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should create a report to analyze the data of the first couple years of the in-lieu fee
- The city should undergo an evaluation of the first couple years of the in-lieu fee to ensure that the outcomes of the legislation align with the goals of the city, and consider re-evaluating the fee structure based on this analysis
- The city should track and evaluate the success of the new hotel ordinance
- The city should look to other options for impact fees for affordable housing

## LEARNING FROM SOMERVILLE

Somerville, MA created its inclusionary program at a time when local nonprofit developers did not have the capacity to build large quantities of affordable housing, and they wanted to incentivize private developers to construct on-site affordable units. Consequently, the city set very high in-lieu fees. According to the city's inclusionary administrator, "It was a very punitive formula aimed at discouraging developers from taking this option." As the nonprofit development

community matured and built capacity, the city decided that it preferred receiving trust fund revenue to fund affordable projects with the non-profit developers. Thus the city lowered its fees.

**By changing its program approach in response to changing local conditions, Somerville was likely able to produce more units than would have been generated by either approach applied consistently.<sup>5</sup>**

5

Adapted excerpt from: <https://inclusionaryhousing.org/designing-a-policy/off-site-development/in-lieu-fees/setting-the-in-lieu-fee/>

6

Adapted excerpt from: <https://grandboulevard.net/programs-and-policies-in-use-by-corridor-jurisdictions/new-housing-planning-land-use-and-developer-incentive-tools/affordable-housing-impact-fees>

7

Reference for photo: <https://www.firstcommunityhousing.org/property-1585studios>

## LEARNING FROM MOUNTAIN VIEW

The City of Mountain View has three types of housing fees: Below-Market-Rate (BMR) in-lieu fees, Housing Impact Fees for New Nonresidential Development, and Rental Housing Impact Fees for New Residential Development.

The Impact fees generate funds that the City can use to subsidize affordable housing. As an alternative to paying the rental housing impact fee, developers can build affordable rental units on-site, which are integrated with market rate units in a mixed-income residential development. During the development of the impact fees, valuable input came from outreach to the development community, especially on proforma analyses.

The City has collected over \$47 million in rental housing and nonresidential development impact fees since 2011. The investment of these fees has led to **127 affordable homes completed in the last three years and an additional 233 affordable units in the pipeline**. In addition, 40 affordable units have been built or are under construction as mitigations in lieu of the impact fees.<sup>6</sup>



This 27-unit project for developmentally disabled adults was built using funding generated by Mountain view's impact fees<sup>7</sup>

8

<http://inclusionaryhousing.org/designing-a-policy/program-structure/linkage-fee-programs/>

9

<https://grandboulevard.net/programs-and-policies-in-use-by-corridor-jurisdictions/new-housing-planning-land-use-and-developer-incentive-tools/affordable-housing-impact-fees>

## TAKEAWAYS:

- Setting the in-lieu fee amount is critical to the success of the program; the formula should reflect both the city's goals and should be flexible to changing with the city's shifting priorities over time
- Linkage fees offer flexibility and can be used to leverage other sources of funding, however, overall they may generate fewer resources for affordable housing than traditional programs<sup>8</sup>
- Development fees can be highly cyclical since they are linked to fluctuations in market conditions<sup>9</sup>

# TOOL 5: TIF (TAX INCREMENT FINANCE)

1  
[https://www.cdfa.net/cdfa/cdfaweb.nsf/ord/93179f1d-d7c68a74882579360067431c/\\$file/radc\\_lifftifcou\\_rsebasics.pdf](https://www.cdfa.net/cdfa/cdfaweb.nsf/ord/93179f1d-d7c68a74882579360067431c/$file/radc_lifftifcou_rsebasics.pdf)

2  
<https://www.nh.c.org/policy-guide/tax-increment-finance-the-basics/>

3  
<https://www.nhc.org/policy-guide/tax-increment-finance-the-basics/how-tifs-can-be-used-for-affordable-housing/>

4  
Reference for image: <https://www.strongtowns.org/journal/2018/9/14/everyone-loses-in-missouris-tax-subsidy-wars>

## WHAT IS IT?

Tax Increment Financing (TIF) allows local governments to invest in infrastructure and other improvements and pay for them by capturing the increase in property taxes (and in some states, other types of incremental taxes) generated by the development.<sup>1</sup>

When a TIF district is established, the “base” amount of property tax revenue is recorded using the status quo before improvements. To the extent such efforts are successful, property values rise, leading to an increase in actual property tax receipts above the base. While the base amount of property tax revenue (the level before redevelopment investments) continues to fund city services, the increase in tax revenue is used to pay bonds and reimburse investors and is often captured as city revenue and allocated toward other projects.<sup>2</sup>

If the improvements supported by TIF are successful in raising property values, there is also a good chance that housing costs will increase and make the neighborhoods in TIF districts less affordable over time. Many communities and jurisdictions are incorporating

affordable housing into TIF programs to ensure that the benefits of TIF are distributed equitably.

While TIFs are traditionally set up to fund investments that will revitalize distressed communities, there is also justification for establishing TIFs or TIF-like districts to help preserve affordable housing opportunities in neighborhoods that have already begun to experience development pressure. By establishing a TIF district in a neighborhood already experiencing or likely to experience economic growth, communities can capture tax-increment funds that they can use to build or preserve affordable homes or to help existing renters buy into their neighborhoods.<sup>3</sup>

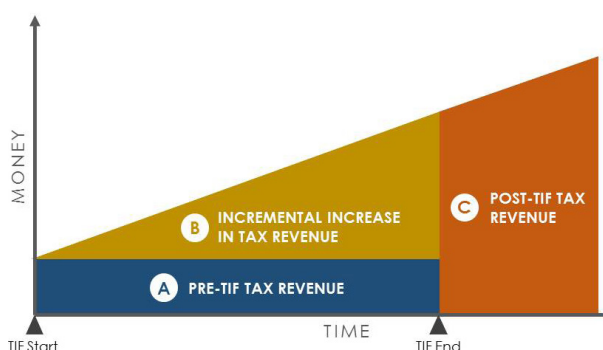
## WHAT IS CHARLESTON CURRENTLY DOING:

Charleston currently has five TIF districts established on the Peninsula (Cooper River Bridge Redevelopment Area, Magnolia, King Street Gateway, Waterfront Park, Horizon Redevelopment Area), and two in West Ashley (West Ashley Redevelopment Area, Church Creek Drainage Redevelopment Area).

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

-The city should monitor and report out the impact of the current TIF districts on affordable housing development and explore potential expansion of the program

-The city should look into the creation of specific “housing districts” for TIF funds in order to link TIF funds with affordable housing development



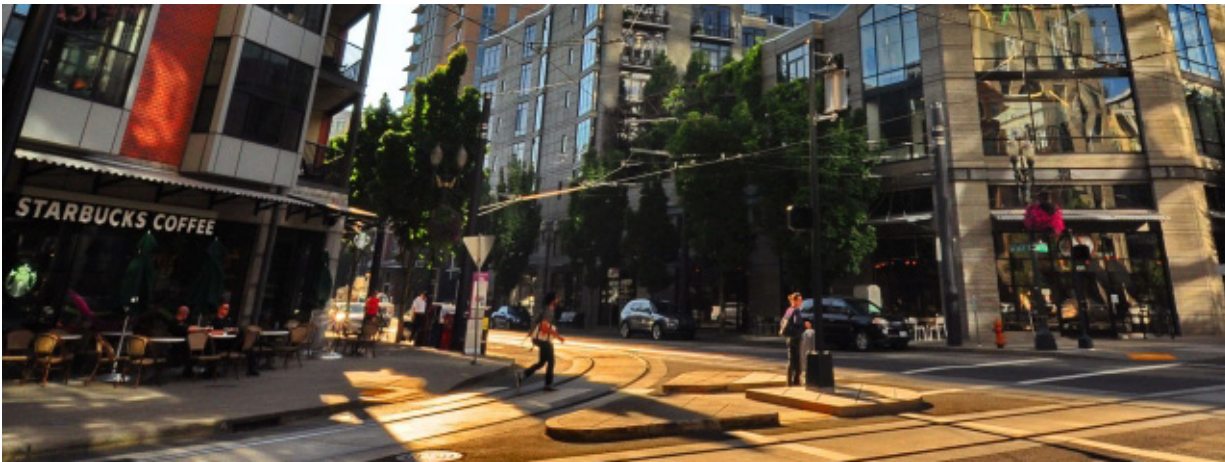
TIF 101, Graphic by City of University City, MO<sup>4</sup>

## LEARNING FROM PORTLAND

In 2007, Portland passed a TIF set-aside requirement that mandates spending 30 percent of total TIF resources in its Urban Renewal Areas (districts that generate TIF money) on affordable housing. The set-aside fund supports two city priorities related to housing, including affordable homeownership for families and low-income rental housing for low-income and formerly homeless individuals and families.<sup>5</sup> **Since its start, the program has generated nearly a quarter of a billion**

**dollars to support affordable housing.**<sup>6</sup>

One of the Urban Renewal Areas – Portland’s Pearl District – has rapidly developed in the past decade, adding more than 7,000 new residential units, plus offices and stores. The city’s TIF set-aside policy has generated tens of millions of dollars from rising property values for the construction of affordable housing in the neighborhood, and has supported the construction of 2,200 units of affordable housing in the district.<sup>7</sup>



Portland’s Pearl District<sup>8</sup>

## LEARNING FROM CHICAGO

Through the Multi-Family TIF Purchase-Rehab Program, the City of Chicago allocates TIF revenues to support the redevelopment of vacant and foreclosed apartment buildings within specified TIF districts as affordable housing. **Private developers are eligible to receive grant funding of up to 50 percent of the total project cost**, and eligibility is limited to the purchase and rehabilitation of buildings with six or more units where

“substantial rehabilitation” is required (to reach the six-unit threshold, developers may group together smaller buildings in a two-block radius). The redeveloped units must remain affordable to households earning up to 50 percent of the area median income for a period of at least 15 years. The city partners with Community Investment Corp, a private lender, to manage the program.<sup>9</sup>

## TAKEAWAYS:

- Tax increment financing is well-suited for neighborhoods around proposed transit stations and other gentrifying areas when the public investment is likely to lead to property value increases.<sup>10</sup>

5 <https://www.nhc.org/policy-guide/tax-increment-financing-the-basics/how-tifs-can-be-used-for-affordable-housing/>

6 <http://cityobservatory.org/a-solution-for-displacement-tif-for-affordable-housing/>

7 Adapted excerpt from: <http://cityobservatory.org/a-solution-for-displacement-tif-for-affordable-housing/>

8 Reference for photo: <http://cityobservatory.org/a-solution-for-displacement-tif-for-affordable-housing/>

9 Excerpt from: <https://www.localhousingolutions.org/act/housing-policy-library/tax-increment-financing-overview/tax-increment-financing/#anchor-12a>

10 <https://www.localhousingolutions.org/act/housing-policy-library/tax-increment-financing-overview/tax-increment-financing/#anchor-12a>



# TOOL 6: TAX CREDITS

1  
Investopedia.  
com/terms/t/tax-  
credit.asp

2  
[https://www.  
urban.org/sites/  
default/files/pub-  
lication/98758/  
lithc\\_how\\_it\\_  
works\\_and\\_who\\_  
it\\_serves\\_final\\_2.  
pdf](https://www.urban.org/sites/default/files/publication/98758/lithc_how_it_works_and_who_it_serves_final_2.pdf)

3  
[https://www.  
taxpolicycenter.  
org/briefing-  
book/what-low-  
income-housing-  
tax-credit-and-  
how-does-it-work](https://www.taxpolicycenter.org/briefing-book/what-low-income-housing-tax-credit-and-how-does-it-work)

4  
[https://www.  
hudexchange.  
info/programs/  
environmen-  
tal-review/histor-  
ic-preservation/  
tax-credit/](https://www.hudexchange.info/programs/environmental-review/historic-preservation/tax-credit/)

5  
[https://www.  
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es/legislative/  
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doned-Build-  
ings-Revitaliza-  
tion-Act.aspx](https://www.masc.sc/Pages/legislative/SC-Abandoned-Buildings-Revitalization-Act.aspx)

6  
Reference for im-  
age: [http://cigar-  
factorycharleston.  
com/](http://cigar-factorycharleston.com/)

## WHAT IS IT?

In general, a tax credit is an amount of money that taxpayers can subtract from taxes owed to their government.<sup>1</sup> There are different state and federal tax credit programs that can be applied to affordable housing development, including:

**LIHTC<sup>2</sup>:** The Low-Income Housing Tax Credit (LIHTC) subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants.<sup>3</sup> As discussed on page 30, there are two types of LIHTC credits: 4% and 9%. The 9% credits are allocated on a competitive basis through each state's housing finance agency. The 4% credits are a non-competitive and unlimited program that are available for developments that receive at least 50 percent of their funding through tax-exempt bond financing.

**HISTORIC<sup>4</sup>:** The Historic Tax Credit (HTC) is an incentive that supports investment in historic buildings and are available through a non-competitive, open application process. These credits can be an effective tool to create affordable housing, including mixed-use developments that have commercial space on the first floor and residences on the upper floors. Historic tax credits are available through the federal government as well as through the state of South Carolina (called the South Carolina Historic Rehabilitation Tax Credit).

**ABANDONED BUILDING<sup>5</sup>:** The State of South Carolina has tax credits available for the rehabilitation, renovation, and redevelopment of buildings that have been abandoned for at least five years (called the South Carolina Abandoned Building

Tax Credit) and also has tax credits available for textile properties that have been abandoned for at least one year. (called the South Carolina Textile Communities Revitalization Tax Credit). Both of these tax credits can be applied to developments including affordable housing.

## WHAT IS CHARLESTON CURRENTLY DOING?

While projects in Charleston are currently using the 4% LIHTC credits, it is nearly impossible to obtain the 9% credits due to state regulations (see page 30 for more info). Different projects in the city have taken advantage of the state and federal historic tax credit program, however there are currently no tools to identify how to optimize the utilization of a variety of different tax credit programs for affordable housing.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city, with community stakeholders, should advocate for state waivers for the LIHTC caps in urban areas
- The city should promote the utilization of urban set aside funds by developers from the State Housing Authority
- The city should work with the development community to create an inventory of which properties, areas, and parcels are best poised for obtaining various state and federal tax credit programs



The Cigar Factory in Charleston was redeveloped using over \$17 million in Historic Tax Credit Equity<sup>6</sup>



## LEARNING FROM DC'S PLANNING OFFICE

In 2015, The DC Office of Planning (OP) released a report, "Pairing Historic Tax Credits with Low-Income Housing Tax Credits in DC" that details a successful but underutilized way to finance affordable housing and preserve the District's supply of historic apartments.

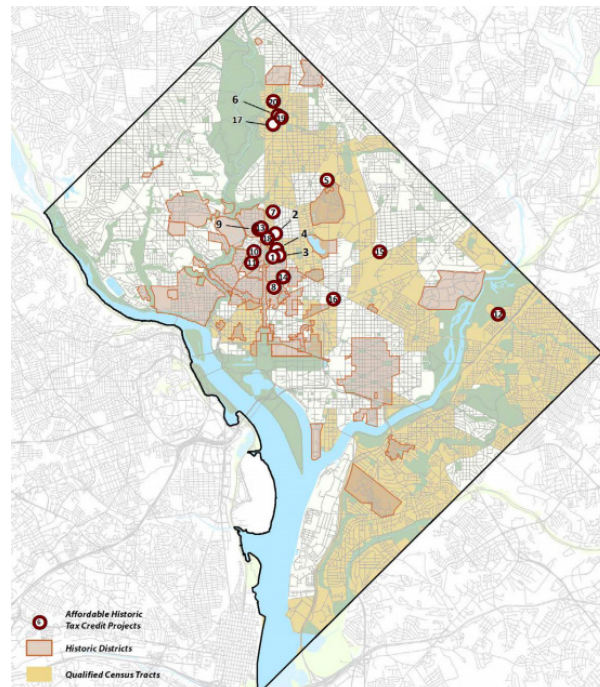
The report outlines the twenty projects in the District of Columbia which had already used Historic Tax Credits (HTCs) to help finance the development of nearly 1,900 affordable housing units. While impressive, the report demonstrated that this is only a fraction of the potential. The OP estimated that an additional 220 buildings may be eligible, which could create the opportunity to significantly expand the District's stock of affordable housing.

Polly Donaldson, Director of the DC Department of Housing and Community Development (DHCD) said "This report clearly demonstrates to the development community that the pairing of these programs works. The city and the development community have a shared responsibility to build inclusive neighborhoods."

**The goal of the guide is to demystify the historic tax credit program and present targeted recommendations to guide the treatment of historic tax credit projects**

**within affordable housing policy.** Pairing Historic Tax Credits with Low-Income Housing Tax Credits in DC provides a toolkit for housing developers to leverage this underutilized resource, including:

- An explanation of how to identify which kinds of properties may be eligible for the Historic Tax Credit
- Project case studies which allowed existing tenants to purchase their renovated properties and won local and national affordable housing and historic preservation awards
- Pro-forma analysis of development costs with and without tax credits <sup>7</sup>



Projects that paired Historic Rehabilitation Tax Credits with Low-Income Housing Tax Credits in D.C. <sup>8</sup>

7

Adapted excerpt from: [https://planning.dc.gov/sites/default/files/dc/sites/op/release\\_content/attachments/OP%20Historic%20Tax%20Credits%20Report%20Press%20Release%202015-08-26.pdf](https://planning.dc.gov/sites/default/files/dc/sites/op/release_content/attachments/OP%20Historic%20Tax%20Credits%20Report%20Press%20Release%202015-08-26.pdf)

8

Reference for image: [https://s3.amazonaws.com/sdc.somerset/images/PairingHTC-LI-HTC2015-08-11Final\\_1.pdf](https://s3.amazonaws.com/sdc.somerset/images/PairingHTC-LI-HTC2015-08-11Final_1.pdf)

## TAKEAWAYS:

- It is critical to understand the regulations and barriers of tax credit programs in order to advocate for any changes that should be made so that affordable housing developers can participate in the program
- Creating a dashboard/toolkit for complex tax credit systems can help developers find properties to leverage different tax credit programs for affordable housing development

# TOOL 7: TAX ABATEMENTS & THE BAILEY BILL

1  
<https://inclusion-aryhousing.org/designing-a-policy/land-dedication-incentives/tax-abatement/>

2  
Excerpt from:  
<https://www.local-housingsolutions.org/act/increasing-the-affordability-of-rental-housing/tax-abate-ments-and-ex-emption-over-view/>

3  
<https://www.masc.sc/Pages/resources/Bailey-Bill-offers-additional-tool.aspx>

4  
[https://dor.sc.gov/resources-site/publications/Publications/Property\\_Tax\\_Guide.pdf#search=sc%20property%20tax%20document](https://dor.sc.gov/resources-site/publications/Publications/Property_Tax_Guide.pdf#search=sc%20property%20tax%20document)

## WHAT IS IT?

Property taxes are one of the most significant annual expenses associated with housing.<sup>1</sup> Property tax abatements directly reduce the amount of taxes owed for a specified period, and can be offered as an incentive to encourage the construction or rehabilitation of buildings that include a share of affordable units. Some local jurisdictions offer tax abatements to encourage rehabilitation of existing affordable housing developments. In this scenario, the owner's total tax liability may be reduced by all or a portion of the difference between the pre- and post-renovation tax bills. Tax abatements can also be used as an incentive to stimulate new development; owners simply receive a discount on their tax bill. The size and the duration of abatements should be thoughtfully considered – the incentive period should be long enough to provide a meaningful financial incentive to developers, but should also consider the short and long term amount of tax revenue collected by the city /county to cover other needs.<sup>2</sup>

One tool available to cities in South Carolina is a special property tax assessment commonly referred to as the **Bailey Bill**. Enacted in 1992, this bill allows local governments to offer a property tax abatement to encourage the rehabilitation of historic properties. For a period of no more than 20 years, the local government can lock in a special property tax assessment based on the property's fair market value prior to rehabilitation. This allows the property owner to avoid local property tax payments on the increased value

resulting from eligible renovations. The abated value is the difference between the fair market value of the building at the start and end of a renovation.<sup>3</sup>

## WHAT IS CHARLESTON CURRENTLY DOING?

South Carolina law provides a property tax exemption for properties serving populations for elderly or handicapped persons or families of low or moderate income (60% AMI and below).<sup>4</sup>

In 2017 an internal task force at the city began looking at utilizing the Bailey Bill. However, Charleston has not yet adopted an ordinance to adapt the state law and create the infrastructure to take advantage of the Bailey Bill tool.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should look into the feasibility of implementing tax abatements in coordination with determining the feasibility of the Bailey Bill
- The city should reconvene the internal task force to work with the county to draft and adopt an ordinance for the Bailey Bill that defines parameters that make the most sense for Charleston and should work with neighboring cities (Columbia/ Beaufort) to get advice on the process
- The city should work to draft and adopt an ordinance that, at a minimum, defines: What historic structures qualify for the special assessment, how much money needs to be invested to qualify, what is a qualified rehabilitation expenditure, who certifies compliance of the rehabilitation project, and how long the special assessment will be offered?

## LEARNING FROM COLUMBIA

Following amended state legislation in 2004, Columbia's City Council adopted a version of the Bailey Bill in July of 2007.<sup>5</sup> If a resident lives or owns a property within one of Columbia's fifteen historic districts the property may qualify for the Bailey Bill tax abatement. Generally, the Bailey Bill encourages sensitive rehabilitation of historic buildings by requiring retention and preservation of historic features and materials.

City Council set the investment threshold to 20% of the fair market value of the building with the length of the abatement period to 20 years.<sup>6</sup> That means that if an owner invests a minimum of 20% of the building's assessed value back into the building, and the work is eligible and approved, then the assessed value of the property is abated for the next 20 years. Even if the

value of the building increases over time the owner will continue to be taxed at the pre-rehabilitation assessed valuation for 20 years for both city and county taxes.<sup>7</sup>

**"It really helps make the math work,"** said Jeff Prioreshi, managing member of Painite Capital, a real estate advisory firm. "Any time you renovate a historic building, there's more cost. And that's why there are incentives to make that happen, to preserve these historic buildings, or else every city would look like Charlotte, where everything was wiped out."<sup>8</sup>



Columbia, SC Downtown<sup>9</sup>

## LEARNING FROM RICHMOND

The City of Richmond offers partial exemption from real estate taxes for qualifying rehabilitated and replaced structures. For those properties that qualify, the increase in market value created by rehabilitation/replacement will be credited from taxable assessment for up to ten years within certain designated areas called "Enterprise Zones" and seven years for districts outside of the Enterprise Zone.

As an example, if a property was worth \$400,000 prior to being improved and worth \$800,000 after the renovation

or addition, the City would issue an abatement credit of \$400,000 making the net taxable real estate amount \$400,000.

**By creating lower costs of ownership for residents from a real estate perspective, vacant buildings become filled and blighted property becomes renovated.** The Richmond Abatement program also works hand in hand with the Historic Tax Credit Programs to increase the likelihood that abandoned structures are renovated.<sup>10</sup>

5 <https://www.columbiasc.net/planning-preservation/historic-incentives>

6 [https://www.columbiasc.gov/depts/planning-preservation/docs/preservation/Newsletter\\_2017August\\_BaileyBill.pdf](https://www.columbiasc.gov/depts/planning-preservation/docs/preservation/Newsletter_2017August_BaileyBill.pdf)

7 Ibid

8 <https://www.thestate.com/news/local/article13887392.html>

9 Reference for image: <https://www.sctv.org/stories/carolina-money/2016/its-boom-time-downtown-columbia>

10 Adapted excerpt from: <https://ideastations.org/radio/news/where-we-live-how-richmonds-tax-abatements-connect-affordable-housing>

## TAKEAWAYS:

- Tax abatements can be a flexible tool that can be designed to foster new development - however, the size and the duration for which it will be available require careful consideration

# TOOL 8: OPPORTUNITY ZONES

1  
<https://www.nytimes.com/2019/11/06/business/opportunity-zones-congress-criticism.html>

2  
Ibid

3  
<https://www.lisc.org/opportunity-zones/community-partners-playbook/introduction/>

4  
Ibid

5  
[https://www.postandcourier.com/news/development-discounts-some-valuable-downtown-charleston-land-now-comes-with/article\\_ca58a492-c32f-11e8-bb9a-53b609af6df8.html](https://www.postandcourier.com/news/development-discounts-some-valuable-downtown-charleston-land-now-comes-with/article_ca58a492-c32f-11e8-bb9a-53b609af6df8.html)

## WHAT IS IT?

Opportunity Zones, is a program created by the 2017 Tax Cuts and Jobs Act. These zones are designed to spur economic development and job creation in distressed communities throughout the U.S. by providing tax benefits to investors who invest into these communities. Only low-income census tracts and census tracts adjacent to low-income census tracts can be designated a zone. Taxpayers may defer tax on eligible capital gains (profits on stock, real estate or other assets) by making an appropriate investment in a Qualified Opportunity Fund and meeting other requirements. Opportunity zones are eligible to receive private investments through Opportunity Funds.<sup>1</sup>

The program has received a fair amount of criticism by lawmakers on the lack of oversight into the program's operations. Lawmakers on both sides of the aisle have expressed interest in boosting reporting requirements in order to evaluate the effect of the opportunity-zone provision on low-income communities. Many lawmakers are concerned about oversight and tracking the success of the program.<sup>2</sup>

So far it is difficult to tell the outcome of the program – especially since many of the rules are still being finalized by the IRS. While opportunity zone incentives have driven funding into cities such as Birmingham Alabama and Erie Pennsylvania, early reports show that funding is going into projects that were already planned or neighborhoods which are rapidly gentrifying.<sup>3</sup>

Opportunity Zones have vast potential and theoretically can bring trillions of dollars of capital into Opportunity Funds. Managed appropriately, the incentive could direct

capital to places where access has been closed off, and could create massive pools of funding for affordable housing development.<sup>4</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

Charleston has gone through the process of proposing and approving census tracts as “opportunity zones,” and created an ordinance to implement the program. The zones extend from North Charleston, north of the Riverfront Park, to the heart of the Charleston peninsula near Marion Square (see image on page 85).<sup>5</sup>

In 2019 the city of Charleston Planning Commission went through a process of amending the original opportunity zones ordinance. The amendment relating to Opportunity Zones is a version vastly simplified from the original version by giving ‘qualified developments’ defined in the ordinance the option to use the incentives and requirements applicable to the Mixed-Use Workforce Housing zoning districts without rezoning. Only properties within designated opportunity zones and within a base zoning of UC, GB, LB, CT, GO, BP, LI, or HI are eligible to use this option.

The CD Subcommittee of City Council recommended removal of the option for qualified developments to pay a fee to the City in lieu of providing workforce housing on-site. The creation of qualified developments in areas of the City designated as qualified opportunity zones is intended to take advantage of the Opportunity Zones Act and the economic development tools provided therein to spur economic development and job creation in distressed communities, while ensuring appropriate housing is provided in these areas.

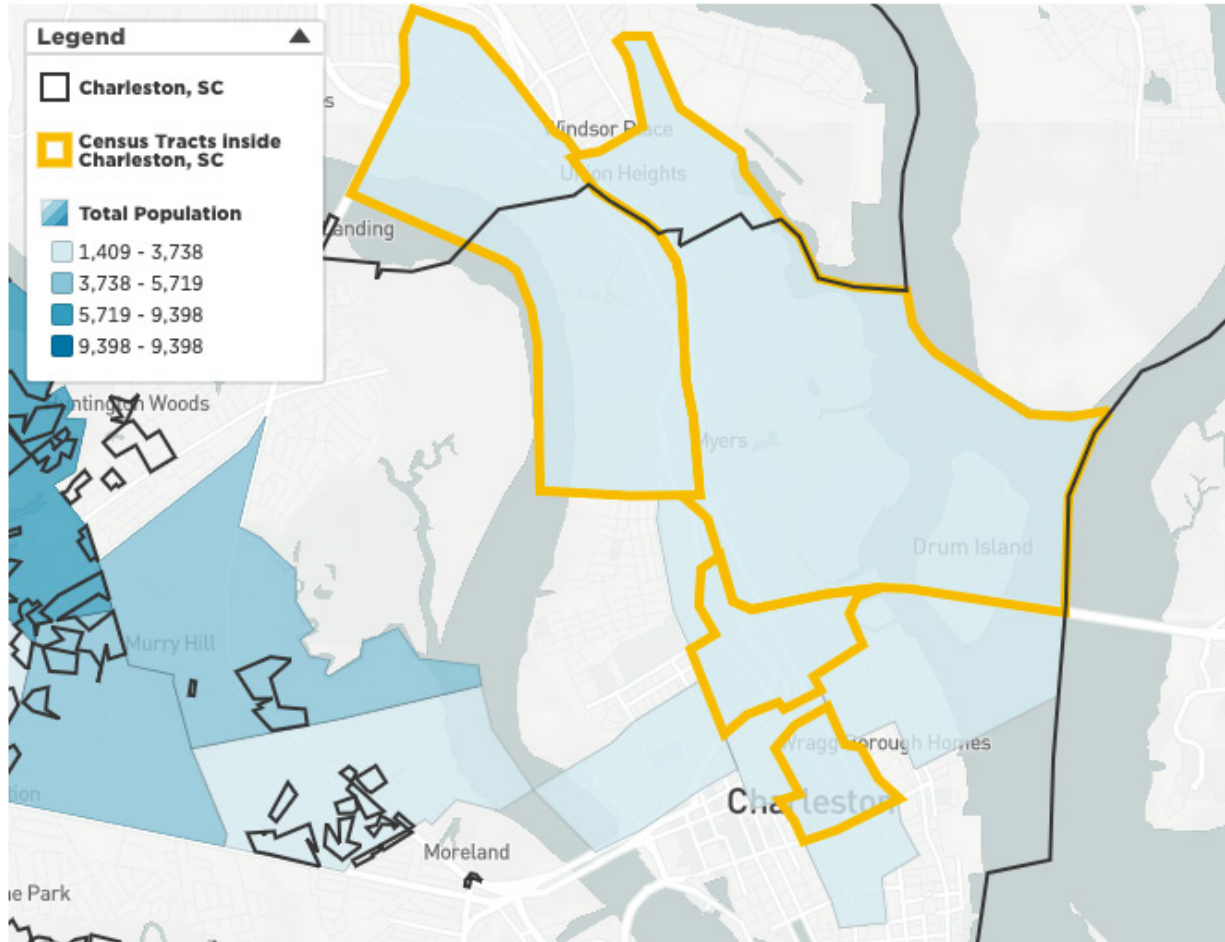


## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

-The city should annually track and monitor the progress of the new Opportunity Zones ordinance and the impacts for economic development and affordable housing production

-After gathering data into the participation and program utilization, the city should consider additional amendments to the ordinance in the future

6  
Reference for image: <https://dashboards.mysidewalk.com/charleston-sc-economy-entrepreneurship/opportunity-zones>



7  
<https://www.globest.com/2019/05/29/opportunity-zones-sound-good-but-investors-wait-for-the-details-deals/?slreturn=20190728202210>

8  
<https://www.lisc.org/opportunity-zones/community-partners-playbook/step-one/>

Location of Opportunity Zones in Charleston (outlined in orange above)<sup>6</sup>

## TAKEAWAYS:

- The regulations for Opportunity Zones have yet to be fully clarified by the IRS, which has lead investors to be hesitant to invest in projects<sup>7</sup>
- While there is great potential for opportunity zones to offer massive funding streams for affordable housing, the program is still very early in its implementation, and various oversights and regulations are still being determined
- Involving community organizations and CDCs in Opportunity Zones strategy will greatly increase the likelihood of investments that are equitable and supportive of a zone's existing population.<sup>8</sup>



# TOOL 9: HUD PROGRAMS

1 <https://www.hud.gov/sites/dfiles/Main/documents/HUDPrograms2018.pdf>

2 <https://www.benefits.gov/benefit/5893>

3 <https://www.hudexchange.info/programs/hopwa/hopwa-eligibility-requirements/>

4 [https://www.hud.gov/program\\_offices/comm\\_planning/communitydevelopment/programs](https://www.hud.gov/program_offices/comm_planning/communitydevelopment/programs)

5 [https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_frm\\_asst\\_sec\\_101911.html](https://www.huduser.gov/portal/pdredge/pdr_edge_frm_asst_sec_101911.html)

## WHAT IS IT?

The U.S. Department of Housing and Urban Development (HUD) has many mortgage, grant, assistance and regulatory programs available to local and state jurisdictions.<sup>1</sup> Four programs that are the most applicable to the Charleston context are:

The **HOME** Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use – often in partnership with local nonprofit groups – to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent, homeownership, or providing direct rental assistance to low-income people.<sup>2</sup>

The Housing Opportunities for Persons with AIDS (**HOPWA**) program, was established to provide housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families. HOPWA formula grants are made using a statutorily-mandated formula to allocate approximately 90 percent of HOPWA funds to eligible cities on behalf of their metropolitan areas and to eligible States. HOPWA competitive funds are awarded on the basis of a national competition.<sup>3</sup>

The Community Development Block Grant (**CDBG**) program is a flexible program that provides communities with resources to address a wide range of unique community development needs.<sup>4</sup>

**Choice neighborhoods** is a competitive grant program that provides flexible resources for local leaders to transform high-poverty distressed neighborhoods into mixed-income neighborhoods. The program leverages significant public and private dollars to support locally driven strategies that address neighborhoods with distressed

public or HUD-assisted housing through a comprehensive approach to address the challenges in the surrounding neighborhood.<sup>5</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

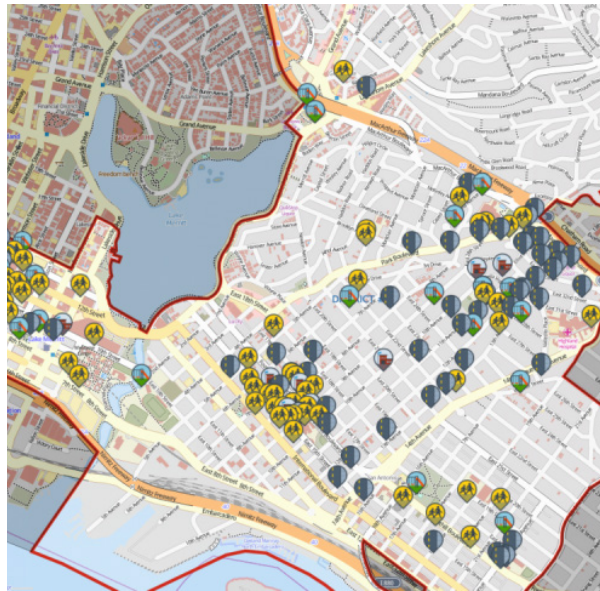
HOME, HOPWA, and CDBG are the three major sources of the US Department of Housing and Urban Development (HUD) funding that Charleston receives for community development. The overall federal funding allocation to Charleston for HOME, HOPWA, and CDBG funds in 2018 was \$2.1 million (see page 31 for more information). In spring of 2019, Charleston submitted a Choice Neighborhoods planning grant for the West Ashley Orleans Wood units.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- City leaders should continue to collaborate across departments to determine how HUD programs can be leveraged for larger city goals and initiatives
- The city should consider implementing a participatory budget model to allocate certain flexible HUD funds, such as CDBG funding, to empower residents and housing stakeholders to have a voice in development projects in their communities
- The city should evaluate the most recent Choice neighborhood application for West Ashley Orleans Wood and prepare a new choice neighborhoods grant application for future cycles
- The city should research different HUD programs available and see if there are any additional programs or funding streams that apply to the Charleston context

## LEARNING FROM OAKLAND

In 2017, Oakland hosted the **first-ever participatory budgeting process applied to federal community development block grant (CDBG)**. The CDBG participatory budgeting process was a pilot, and involved deciding how to spend \$784,678 over two years to benefit low- and moderate-income residents in Oakland Council Districts 1 and 2. Some 1,200 Oakland residents in the two council districts participated and voted for their top priorities for how to use the funds. District 2 Council Member Abel Guillen said “I wanted to try to empower residents, particularly residents who have not been involved in the budgeting process and get them engaged.”<sup>6</sup>



A map of Oakland City Council District 2, with markers showing where residents pointed out needs<sup>7</sup>

6  
Adapted excerpt from: <https://nextcity.org/daily/entry/oakland-participatory-budgeting-residents-decide-spend-cdbgs>

7  
Reference for image: <https://nextcity.org/daily/entry/oakland-participatory-budgeting-residents-decide-spend-cdbgs>

8  
Adapted excerpt from: [https://www.nola.com/politics/index.ssf/2011/08/hano\\_gets\\_305\\_million\\_to\\_re-do.html](https://www.nola.com/politics/index.ssf/2011/08/hano_gets_305_million_to_re-do.html)

## LEARNING FROM NEW ORLEANS

In 2011, the Housing Authority of New Orleans (HANO) received a \$30.5 million grant award as part of the Choice Neighborhoods program. The grant from HUD also seals the fate of the Iberville, the city’s last traditional public-housing development, which sits near the edge of the French Quarter. HANO and its partner, the city of New Orleans, expanded their plans and investment far beyond the 23-acre Iberville site to an area they call “Iberville-Treme,” a 300-square-block area. **With hopes of transforming an entire neighborhood, developers spent \$589 million in the**

**“Iberville-Treme” area in order to construct nearly 2,446 new apartments, many above ground-floor stores and cafes.**<sup>8</sup>



Sketch of redevelopment for Iberville choice neighborhood project<sup>9</sup>

9  
Reference for photo: <https://www.wsj.com/articles/new-orleans-projects-get-a-lift-1393978103>

## TAKEAWAYS:

- While federal funding for housing in general has declined over the past few decades, HUD still maintains a few grant programs and funding streams that should be creatively utilized and leveraged by local governments

# TOOL 10: PHILANTHROPIC FUNDING

1  
<https://www.investopedia.com/terms/p/philanthropy.asp>

2  
<https://philanthropynewsdigest.org/news/funding-collaborative-for-affordable-housing-launched>

3  
[https://www.postandcourier.com/news/a-jewel-for-the-neck/article\\_62d981ba-4ec1-544c-8d82-84132346db0d.html](https://www.postandcourier.com/news/a-jewel-for-the-neck/article_62d981ba-4ec1-544c-8d82-84132346db0d.html)

4  
[https://kresge.org/sites/default/files/2014\\_SI\\_Brochure\\_print\\_final.pdf](https://kresge.org/sites/default/files/2014_SI_Brochure_print_final.pdf)

## WHAT IS IT?

Philanthropy involves large scale charitable giving. It is an effort undertaken by an individual or organization based on an altruistic desire to improve human welfare.<sup>1</sup>

As the housing crisis has accelerated nationwide over the past few years, philanthropic leaders have started to recognize the vital role that philanthropy can have in providing funding streams to help address the affordable housing crisis. For example, in February of 2018, nine large private foundations formed a funding collaborative aimed at catalyzing systemic change to address the shortage of safe, stable, and affordable rental housing nationwide. The collaborative looks to help them align their strategies and leverage their funds.<sup>2</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

While partnerships between local foundations and the public sector in Charleston for the purpose of affordable housing development have historically been limited, there are some past and current examples of ways that local philanthropic funding can be used help address the affordable housing crisis.

In 2003, the city announced a public-private partnership called the **Staying Put Fund**, which was designed to guarantee that not a single low or moderate income homeowner in the Charleston Neck area would be forced to leave their home as the result of increased property values. The Staying Put dollars were available to cover all increases in property tax above the 2004 assessment level. All low and moderate income residents of the Neck area were eligible to apply for a grant. If for any

reason individuals decided to move, the grant money provided to these individuals was collected at the property closing and reinvested back into the fund. The fund was made possible through philanthropic seed funding from the development company represented by Clement, Crawford and Thornhill. The Staying Put Initiative lasted for a ten year period.<sup>3</sup>

In 2015, The South Carolina Community Loan Fund (SCCLF) was able to secure funding from major national foundations such as the Kresge Foundation and the Gaylord and Dorothy Donnelley Foundation in order to help advance goals of SCCLF around affordable housing production.<sup>4</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should evaluate recreating the Staying Put Fund, with a coalition of local philanthropies
- The city should look into platforms for mobilizing capacity within the local philanthropic community (marketing campaigns, events, targeted outreach) and leveraging local philanthropy for partnerships on city projects
- The city should consider how large national foundations could be potential partners in the affordable housing work in Charleston (e.g. how could a foundation like Kresge fund public art educational strategies around housing or a foundation like Bloomberg Philanthropies support data collection around housing?)
- The city should research grant opportunities for increasing their capacity around affordable housing projects recommended in this document (e.g. the creation of different data dashboards)



## LEARNING FROM THE QUICKEN LOANS COMMUNITY FUND

In 2017, The Quicken Loans Community Investment Fund (QLCIF) partnered with the United Community Housing Coalition (UCHC) and eight community development organizations to launch an extensive education effort addressing the pervasive issue of tax foreclosure in Detroit. This door-to-door outreach looked to reach all 60,000 residential properties behind on property taxes and connect residents at risk of tax foreclosure to city resources.<sup>5</sup>

In May of 2019, an evaluation of the initiative revealed that **the program was able to help 4,316 families living in at-risk properties to avoid the 2018 Wayne County tax foreclosure auctions.** Additionally, through the Neighbor to

Neighbor program and property tax exemption workshops, there were nearly 5,750 full exemptions provided to Detroit homeowners in 2018.

Mayor Mike Duggan said about the program: “As Detroit comes back, we need to do everything we can to make sure those who stayed in our city through good times and bad are able to stay in their homes. We are seeing real progress in tax foreclosure reductions that impact all of our neighborhoods, and through programs like Neighbor to Neighbor, we will continue this important work in close partnership with the community.”<sup>6</sup>



Image from the Neighbor to Neighbor report document<sup>7</sup>

5  
Adapted excerpt from: <https://www.quicken-loans.com/press-room/2017/10/30/quicken-loans-community-investment-fund-launches-neighbor-to-neighbor-campaign-connect-residents-tax-foreclosure-resources/>

6  
Adapted excerpt from: <https://www.quicken-loans.com/press-room/2019/05/02/quicken-loans-community-fund-study-shows-2018-property-tax-foreclosures-in-detroit-hit-lowest-level-in-over-a-decade-company-commits-to-continuing-citywide-effort-to-help-homeowners/>

7  
Reference for photos: <http://foreclosureoutreach.org/wp-content/themes/foreclosure-outreach/resources/neighbor-to-neighbor-detroit.pdf>

### TAKEAWAYS:

- Philanthropic funding can provide catalytic capital to help local government's creatively address affordable housing barriers
- While philanthropic funding can only be used in the short term, its flexible nature allows cities to act quickly on implementing initiatives

# FUNDING TOOLS CHECKLIST OF ACTION ITEMS

## TOOL 1: AFFORDABLE HOUSING TRUST FUND

- ☐ The city should develop a curriculum of education/advocacy around the success of the Housing Trust Fund model
- ☐ The city should bring a key group of stakeholders together to create a housing trust fund proposal for city council and establish buy in for this model
- ☐ The city should define the three key elements of the housing trust fund proposal, which are: a consistent funding stream to make a housing trust fund successful, who will be managing the fund, and what and who the fund will support

## TOOL 2: AFFORDABLE HOUSING BONDS

- ☐ The city should create an evaluation of the 2017 G.O. Bond in Charleston identifying areas of success and areas of improvement for future iterations of bond referendums. Specifically, the city should evaluate certain legal barriers and funding sources for future iterations.
- ☐ The city should develop an education/communication strategy to promote the impact of the 2017 G.O. bond
- ☐ The city should work with grassroots organizers around voter engagement strategies for future referendums

## TOOL 3: LEVYING A PENNY TAX

- ☐ The city should look into the feasibility of earmarking or proposing a “penny for housing” system within current tax structures
- ☐ The city should continue to work with the county and the county’s affordable housing task force to advocate for levying a property tax increase, and should also use this partnership to look into the feasibility of that tax revenue acting as a consistent funding stream for a regional affordable housing trust fund

## TOOL 4: FEE IN LIEU & IMPACT FEES

- ☐ The city should create a report to analyze the data of the first couple years of the in-lieu fee
- ☐ The city should undergo an evaluation of the first couple years of the in-lieu fee to ensure that the outcomes of the legislation align with the goals of the city, and consider re-evaluating the fee structure based on this analysis
- ☐ The city should track and evaluate the success of the new hotel ordinance
- ☐ The city should look to other options for impact fees for affordable housing

## TOOL 5: TIF (TAX INCREMENT FINANCE)

- ☐ The city should monitor and report out the impact of the current TIF districts and explore potential expansion of the program
- ☐ The city should look into the creation of specific “housing districts” for TIF funds in order to link TIF funds with affordable housing development



#### TOOL 6: TAX CREDITS

- ☐ The city and community stakeholders should advocate for state waivers for the LIHTC caps in urban areas
- ☐ The city should promote the utilization of urban set aside funds by developers from the State Housing Authority
- ☐ The city should work with the development community to create an inventory of which properties, areas, and parcels are best poised for obtaining various state and federal tax credit programs

#### TOOL 7: TAX ABATEMENTS & THE BAILEY BILL

- ☐ The city should look into the feasibility of implementing tax abatements in coordination with determining the feasibility of the Bailey Bill
- ☐ The city should reconvene the internal task force to work with the county to draft and adopt an ordinance for the Bailey Bill that defines parameters that make the most sense for Charleston
- ☐ The city should work to draft and adopt an ordinance that, at a minimum, defines: What historic structures qualify for the special assessment, how much money needs to be invested to qualify, what is a qualified rehabilitation expenditure, who certifies compliance of the rehabilitation project, and how long the special assessment will be offered?

#### TOOL 8: OPPORTUNITY ZONES

- ☐ The city should annually track and monitor the progress of the new Opportunity Zones ordinance
- ☐ After gathering data into the participation and program utilization, the city should consider additional amendments to the ordinance in the future

#### TOOL 9: HUD PROGRAMS

- ☐ City leaders should continue to collaborate across departments to determine how HUD programs can be leveraged for larger city goals
- ☐ The city should consider implementing a participatory budget model to allocate certain flexible HUD funds, such as CDBG funding, to empower residents and housing stakeholders to have a voice in development projects in their communities
- ☐ The city should evaluate the most recent Choice neighborhood application for West Ashley Orleans Wood and prepare a new choice neighborhoods grant application for future cycles
- ☐ The city should research different HUD programs available and see if there are any additional programs or funding streams that apply to the Charleston context

#### TOOL 10: PHILANTHROPIC FUNDING

- ☐ The city should evaluate recreating the Staying Put Fund, with a coalition of local philanthropies
- ☐ The city should look into platforms for mobilizing capacity within the local philanthropic community (marketing campaigns, events, targeted outreach) and leveraging local philanthropy for partnerships on city projects
- ☐ The city should consider how large national foundations could be potential partners in the affordable housing work in Charleston
- ☐ The city should research grant opportunities for increasing their capacity around affordable housing projects recommended in this document (e.g. the creation of different data dashboards)



# EDUCATION/EMPATHY BUILDING TOOLS

## Overview

This section expands on eight Education and Empathy Tools that Charleston could use to address current public perceptions on affordable housing. These are:

TOOL 1:  
HOUSING  
EDUCATION AND  
COUNSELING  
PROGRAMS

TOOL 2:  
EVICTION  
MITIGATION  
SERVICES

TOOL 3:  
PARTICIPATORY  
PUBLIC ART  
PROJECTS

TOOL 4:  
BLOCK PARTIES

TOOL 5:  
PARTICIPATORY  
MAPPING

TOOL 6:  
SOCIAL MEDIA  
CAMPAIGNS

TOOL 7:  
STORYTELLING  
PROJECTS

TOOL 8:  
DINNER PARTIES

Many of these tools are aimed at harnessing the power of different forms of communication - such as social media or public art - to help build empathy and community in Charleston around affordable housing. For many of these tools, it is critical for the city to form partnerships with local non-profits, organizations, foundations and institutions to help implement these projects. The goal of these tools is for the city to create more localized communication, outreach, and education initiatives for the different and distinct neighborhoods of Charleston, to ensure each neighborhood is receiving the resources they need.

# TOOL 1: HOUSING EDUCATION + COUNSELING PROGRAMS

1  
[https://nlihc.org/sites/default/files/AG-2017/2017AG\\_Ch05-S07\\_Housing-Counseling.pdf](https://nlihc.org/sites/default/files/AG-2017/2017AG_Ch05-S07_Housing-Counseling.pdf)

2  
Adapted excerpt from: <https://www.civicdesigncenter.org/events/calendar/2019/06/25/citythink-affordable-housing-game-night.3658179>

3  
Reference for photos: <https://www.civicdesigncenter.org/events/calendar/2019/06/25/citythink-affordable-housing-game-night.3658179>

## WHAT IS IT?

Many cities and nonprofit organizations offer housing counseling and education programs to help homebuyers and renters get the resources they need. Workshops and seminars can include information around buying a home/owning a home, financing programs, one-on-one drop in counseling for new homebuyers, or tenant education.

These workshops and counseling programs can be very beneficial for new renters, homebuyers, and homeowners and can help increase the pipeline to stable housing for many residents. While these services are often available in many cities, accessibility and visibility are often the two biggest barriers to connecting residents with these services.<sup>1</sup> By creatively approaching these barriers, cities can help to make these programs successful.

## WHAT IS CHARLESTON CURRENTLY DOING:

Housing education and counseling services are provided by a few organizations in Charleston, including the Charleston Trident Urban League and the South Carolina Community Loan Fund.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should create a survey to see which types of classes/seminars would best serve the Charleston community
- The city should create more localized classes, bringing workshops straight to different neighborhoods
- The city should create engaging housing education programs, such as games, that can help the community understand the current affordable housing crisis

## LEARNING FROM NASHVILLE'S CIVIC DESIGN CENTER

In June of 2019, the Nashville Civic Design Center hosted a game night for the public release of the Affordable Housing 101 report and the Game of Rent – a gamified teaching tool for building empathy and understanding about housing.

The Affordable Housing 101 toolkit is designed to break down the jargon, statistics, and stereotypes around affordable housing and help community members start the conversation with their neighbors, developers, and public officials.

As a companion to the toolkit, **The Game of Rent brings to life real, local data around what it takes to live**

**in different neighborhoods.** Players roll the dice to be dealt a hand, and then must make the most of the situation as they race to find an apartment they can afford.<sup>2</sup>



Game of Rent<sup>3</sup>



## LEARNING FROM BOSTON'S CITY HALL TO GO TRUCK

"City Hall To Go is a mobile city hall," explained Jacob Wessel, director of Boston's City Hall To Go program. "We are a nice bright red truck that roams around the city to make sure that people have an accessible way to deal with transactions, questions, and engagement with city government in the city of Boston," he said.

In the truck is a copier-scanner, copies of forms and pamphlets, wifi, a credit card processing machine, and laptops that are hooked up to city systems so staffers can access city resources. Two staffed service windows open-up along the curbside of the well-marked truck, where residents can come to do business with the city. The truck includes a team of three, out in the neighborhoods five days a week — Tuesdays through Saturdays — servicing some 300 to 400 residents each month.<sup>4</sup>

While the program is not explicitly geared towards housing stability, the truck brings valuable forms and resources straight to the community for housing stability such as information around property taxes or tenant rights. Residents can find the location of the truck by following it on twitter or going to the city's website. The city is looking into ways to use this type of model to more explicitly bring services, **such as housing**

**seminars and counseling sessions, directly to neighborhoods across the city.** This program model addresses some of the major barriers encountered with housing counseling and education programs by increasing accessibility to these resources, by bringing them directly to communities, and also increasing the visibility of the services.



City Hall to go truck<sup>5</sup>



Mayor Marty Walsh shaking hands from the city hall to go truck<sup>6</sup>

4

Adapted excerpt from: <https://www.wgbh.org/news/2017/12/05/local-news/inside-boston-city-halls-rolling-roving-office>

5

Reference for photo: <https://northendwaterfront.com/2013/06/city-hall-to-go-truck-in-north-end-on-fourth-tuesday-of-every-month/>

6

Reference for photo: <https://twitter.com/CityOfBoston/status/875125817147367424>

### TAKEAWAYS:

- Housing education and counseling programs around homeownership and financing can be extremely beneficial for first time homebuyers/homeowners; they can help connect residents to resources and increase the pipeline to homeownership
- By approaching these programs and services with creativity, cities can increase the visibility and accessibility of their programs and ultimately connect more residents with these services

# TOOL 2: EVICTION MITIGATION SERVICES

1  
<https://sclegal.org/charleston-housing-court/>

2  
<https://charlestonprobono.org/services-2/>

3  
Charleston Pro Bono - What Happened In September 2019 Newsletter

4  
<https://sclegal.org/charleston-housing-court/>

5  
Reference for photo: Charleston Pro Bono - What Happened In September 2019 Newsletter

## WHAT IS IT?

Many cities and housing nonprofits offer services and programs to help renters get resources they need if they are in danger of being evicted. Eviction mitigation services can include providing tenants information about tenant rights, city wide landlord-tenant laws, and can also include one-on-one pro bono legal services for eviction cases if a client has been served an eviction notice.

## WHAT IS CHARLESTON CURRENTLY DOING:

Threat of eviction is a problem that many residents in Charleston face and is a large challenge in the region, especially the area of North Charleston. In 2016, North Charleston experienced the highest rate of eviction (16.5 out of 100 renters) of any area in the United States.<sup>1</sup>

The Charleston Trident Urban League has a fair housing hotline where they help over 300 people a year who call in. Their services also include landlord and tenant mediation.

Charleston Pro Bono Legal

services provides free civil legal assistance for low-income clients. The organization specifically provides free legal representation to protect stable housing for residents, and thus provide legal services for Landlord – Tenant Law, Discrimination in Housing, Foreclosure, Housing and Disabilities, Property tax, Subsidized Housing (Public Housing, Section 8 Vouchers, etc.), and Evictions.<sup>2</sup>

The organization has partnered with philanthropic organization Trident United Way and has received a grant award to help increase the organization's capacity. In addition, Trident has partnered with other organizations and private law firms to host a Housing Court Training Session to prepare for the upcoming Housing Court Pilot Project.<sup>3</sup>

This pilot project came to be after South Carolina Legal Services (SCLS) and other local providers of legal and social services came together to seek the South Carolina Access to Justice Commission support in submitting a petition to the Supreme Court. Ultimately the Commission petitioned the S.C. Supreme Court to form the first ever housing court in South Carolina. The pilot is set to take off towards the end of 2019.<sup>4</sup>

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should create a dashboard of evictions to better understand where residents are most vulnerable to eviction
- The city should partner with organizations such as Charleston Pro Bono Legal Services to create localized services for communities that are most in need of eviction mitigation services
- The city should look into creating right-to-counsel legislation



Housing Court Training Session<sup>5</sup>

## LEARNING FROM NEW YORK CITY'S RIGHT TO COUNSEL

On August of 2017, Mayor of New York City Bill de Blasio signed legislation that, when fully implemented, **will dedicate \$155 million a year to ensure that all low-income tenants in New York City have access to legal representation in housing court.** The right-to-counsel legislation was the first of its kind in the country, but cities such as Philadelphia, Baltimore, San Francisco and Washington, DC, are exploring legislation for tenants to get the legal assistance they need when served with an eviction notice. This legislation aims to decrease evictions, slow gentrification, and mitigate the devastating social effects of home dispossession.

Before NYC started ramping up funding for legal-assistance programs, only about 1 percent of tenants who appeared in housing court had attorneys, while almost all of the city's litigious

landlords were able to afford and obtain legal counsel. Advocates say this disparity encouraged landlords and developers to intimidate tenants and pursue frivolous cases, fueling unfair evictions, homelessness, the loss of affordable housing, and gentrification. New York City's new law aims to change this dynamic.

Even before the mayor signed the "right to counsel" legislation, the City had started pouring money into legal-assistance programs for tenants, increasing such funding from \$6 million to \$62 million between 2013 and 2016. During those years the percentage of court-bound tenants with legal representation increased from 1 percent to 27 percent and **evictions in the city decreased by 24 percent.** Roughly 40,000 people avoided eviction between 2015 and 2016 as a result.<sup>6</sup>

6

Excerpt from:  
<https://www.thenation.com/article/these-cities-are-about-to-make-it-harder-for-landlords-to-evict-people/>

7

Reference  
for photo:  
<https://hfront.org/2018/04/17/blazing-a-new-trail-for-housing-justice-a-qa-with-new-york-citys-right-to-counsel-coalition/>



Photo after the passage of the Right to Counsel legislation in NYC<sup>7</sup>

### TAKEAWAYS:

- Ensuring that tenants have proper legal representation is a powerful way to help decrease unfair evictions, and can be achieved through formal right to counsel laws or can be ensured through robust partnerships with pro bono legal organizations



# TOOL 3: PARTICIPATORY PUBLIC ART PROJECTS

1  
<https://www.associationforpublicart.org/>

2  
<https://segd.org/participatory-public-art>

3  
[https://www.postandcourier.com/features/the-rise-of-public-art-in-south-carolina/article\\_e\\_a95f130-760c-11e7-8f94-03551ed17c56.html](https://www.postandcourier.com/features/the-rise-of-public-art-in-south-carolina/article_e_a95f130-760c-11e7-8f94-03551ed17c56.html)

4  
Reference for photo: [https://www.postandcourier.com/features/murals-are-filling-in-the-charleston-cityscape-here-s-a/article\\_a4e551f6-055b-11e9-ad54-e336c5a0dd0e.html](https://www.postandcourier.com/features/murals-are-filling-in-the-charleston-cityscape-here-s-a/article_a4e551f6-055b-11e9-ad54-e336c5a0dd0e.html)

## WHAT IS IT?

The Association for Public Art defines public art as the following: “Public art is not an art “form.” Its size can be huge or small. It can tower fifty feet high or call attention to the paving beneath your feet. Its shape can be abstract or realistic (or both), and it may be cast, carved, built, assembled, or painted. It can be site-specific or stand in contrast to its surroundings. What distinguishes public art is the unique association of how it is made, where it is, and what it means. Public art can express community values, enhance our environment, transform a landscape, heighten our awareness, or question our assumptions. Placed in public sites, this art is there for everyone, a form of collective community expression. Public art is a reflection of how we see the world – the artist’s response to our time and place combined with our own sense of who we are.”<sup>1</sup>

Public art is art in any media that has been planned and executed with the intention of being staged in the physical public domain, usually outside and accessible to all. While public art has traditionally been seen as something that is static, an emerging practice of participatory public art invites the viewer to participate. It encompasses the idea of group collaborative creations of a singular artwork, art that is ephemeral or even intentionally destroyed, or art that only becomes “complete” as its viewers participate within its structure.<sup>2</sup> Participatory public art is a powerful communication tool: it can engage, it can express, it can create empathy, it can educate, it can create a sense of

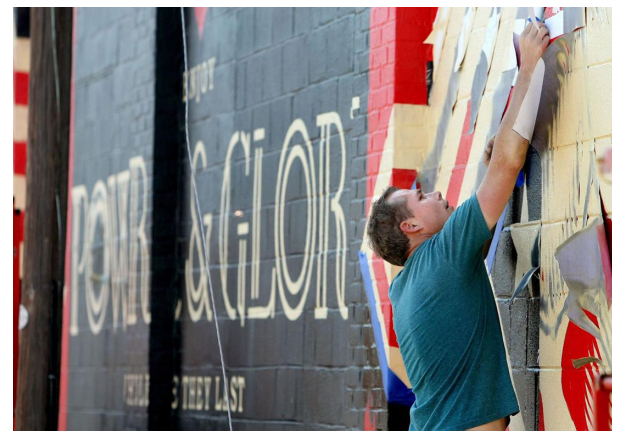
unity, and it can serve a greater mission. Because of these functions, participatory public art has served as a powerful tool for cities to educate and unify the public around affordable housing crises.

## WHAT IS CHARLESTON CURRENTLY DOING:

While generally efforts towards the creation of public art in Charleston have been scattered, public art projects can be found around the city (e.g. murals by Shepard Fairey in the peninsula). Organizations like the Charleston Parks Conservancy and the city’s Office of Cultural Affairs are looking to reinvent the role that public art plays as the city develops and changes.<sup>3</sup>

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should create formal partnerships or a specialized grant program for participatory art projects in the public realm
- The city should explore how participatory art projects can spatialize and make data around affordable housing more accessible and how they can also demystify certain myths around affordable housing



Shepard Fairey paints his largest mural as part of his 2014 show<sup>4</sup>

## LEARNING FROM THE TIDY STREET PROJECT

In spring of 2011 in Brighton UK, graffiti artist Snub **produced an engaging street infographic that stimulated the street and passersby to reflect on their electricity use.** Participating households on Tidy Street recorded their daily electricity consumption, which was then translated into a graphic on the street comparing the participants' electricity usage to other regions in the UK and

around the world.

The project generated a lot of enthusiasm and the tenants were given resources on how to lower their consumption, resulting in a 15% usage reduction.<sup>5</sup> While not specifically focused on housing data, this type of project demonstrates how public art spatializing data can be used to create direct action among residents.



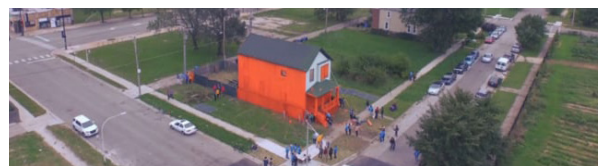
Image of Tidy Street project<sup>6</sup>

## LEARNING FROM AMANDA WILLIAM'S "COLOR(ED) THEORY"

In Color(ed) Theory, artist Amanda Williams, with participation from the community, painted eight abandoned houses slated for demolition in the South side of Chicago in order to spark a dialogue around urban decay.

Williams said: **"I want people to contemplate what these structures are worth to them,** and whether they like or dislike my intervention. **If you think it's pretty, are you willing to fight for it?** Or are you equally motivated by disgust? There's no prescribed response." As a result of the project, there has been discussion of Williams **partnering with entities like the Cook County Land Bank or other Illinois Land Trusts to bring**

**community-owned development to adjacent vacant land.**<sup>7</sup>



Images from painting one color(ed) theory house<sup>8</sup>

5  
Adapted excerpt from: <https://collabcubed.com/2011/11/01/the-tidy-street-project/>

6  
Reference for photo: <https://collabcubed.com/2011/11/01/the-tidy-street-project/>

7  
<https://thespaces.com/amanda-williams-applies-colored-theory-to-houses-on-the-brink/>

8  
Reference for top photo: <https://www.youtube.com/watch?v=alv-Nzy9X3U;>

Reference for bottom photo: <https://www.archdaily.com/776953/video-color-ed-theory-amanda-williams/56423a8de58ece62b100005d-video-color-ed-theory-amanda-williams-image>

## TAKEAWAYS:

- Public art can be a powerful tool that can be used to educate, advocate, spatialize data, collect data, build capacity, create empathy and demystify myths when it comes to affordable housing in Charleston



# TOOL 4: BLOCK PARTIES

1  
<http://www.mojafestival.com/home/>

2  
<https://www.charlestonchronicle.net/2018/10/15/free-community-block-party-aims-for-an-economically-vibrant-reynolds-avenue/>

3  
Adapted excerpt from: <https://www.smalltimorehomes.org/events/affordable-housing-block-party-tiny-home-tour>

4  
Reference for photo: Ibid

## WHAT IS IT?

A block party (or street party) is a party in which many members of a single community congregate for an event, celebration or just for fun. Often times streets will be blocked off or shut down. Block parties are excellent events to forge communities in different neighborhoods and to build capacity around different issues. While enjoying food, music, and games, community members can also come together to learn about new development projects, or get to talk with public officials in a less formal setting than a town hall.

## WHAT IS CHARLESTON CURRENTLY DOING:

There are many existing block parties and festivals in Charleston that serve as opportunities for affordable housing advocacy. The Spoleto art festival, hosted in Charleston every year, is one of the largest performing arts festivals in the country. The city of Charleston's Office of Cultural Affairs hosts block parties

as part of the MOJA Arts festival.<sup>1</sup> Local businesses also put on block parties in communities in Charleston.

In neighboring North Charleston in 2018, the Lowcountry Local First (LLF) and Metanoia CDC hosted a free community block party along Reynolds Avenue in the Chicora-Cherokee Neighborhood. The event, called "Better Block" was created with the hope of demonstrating what the community envisioned for a more connected, walkable, bikable, economically vibrant, and safe street. Events included temporary street and safety improvements, community vendors, kids' activities, live music and dance performances.<sup>2</sup>

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

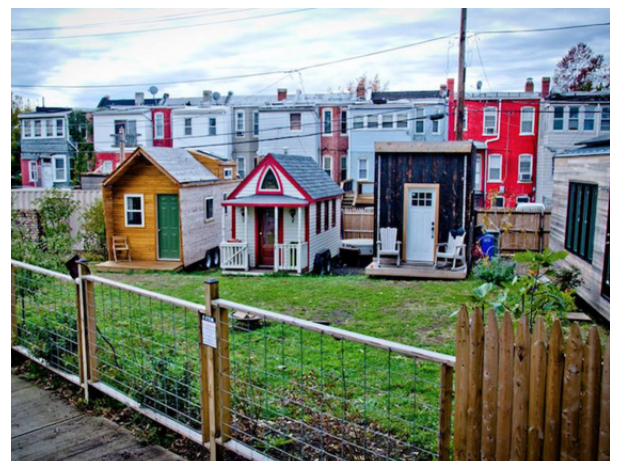
-The city should look into creating block parties for affordable housing education and advocacy in different neighborhoods in the city

## LEARNING FROM SMALLTIMORE HOMES

In summer of 2019, Smalltimore Homes created an **affordable housing block party to gain awareness for their work on tiny homes and homelessness**. The event featured tours of tiny homes, vendors, activities for children and other organizations that provide housing services.

Smalltimore Homes focuses on enhancing community living and improving neighborhoods by creating alternative ownership opportunities through micro shelters and tiny dwellings. The organization's ownership programs and volunteer building activities are

designed to be a catalyst that helps community members reach their goals and fulfill their potential.<sup>3</sup>



Smalltimore homes tiny homes projects<sup>4</sup>

## LEARNING FROM “OPEN STREETS DETROIT”

For the past couple years, Open Streets Detroit (OSD) has brought bikes, pedestrians, strollers, scooters, games, activities, and more to different neighborhoods throughout the city. **The event not only opens the streets for healthy activities, but it gives businesses more foot traffic and a chance to showcase their goods to visitors.**

Over the last few years, OSD has received a lot of positive feedback from participants and business owners in Southwest Detroit. The project lead of Open Streets Detroit says “We’ve found

that community members look forward to the opportunity to experience their streets in a new way through a wide range of healthy, active programming.”<sup>5</sup>

While OSD is not specifically put on for affordable housing, these events provide great platforms for residents to access city resources while simultaneously forging community. These types of events could be utilized with the specific purpose of providing information and resources around the city’s affordable housing programs.



Images from open street events<sup>6</sup>

5

Adapted excerpt from: <https://detroit.courier.com/2018/7/31/17634964/open-streets-southwest-detroit-rouge-park>

6

Reference for top left photo: <https://www.metrotimes.com/the-scene/archives/2018/07/31/open-streets-detroit-to-celebrate-third-year-in-south-west>

Reference for top right photo: <http://www.recruitedetroit.com/features/open-streets-recap-102416.aspx>

Reference for bottom photo: <http://www.dailymail.com/2018/10/05/detroit-city-councilman-indicted-business-expansions-open-streets-detroit-you-r-news/>

### TAKEAWAYS:

- Block parties are a way to educate while simultaneously forging community and providing spaces to engage voters on local issues
- As a much more casual environment than a town hall, block parties offer great venues for city officials to go straight to communities to advocate and educate on new policies for affordable housing



# TOOL 5: PARTICIPATORY MAPPING

1  
[https://www.mappingforrights.org/participatory\\_mapping](https://www.mappingforrights.org/participatory_mapping)

2  
Reference for photo:  
<http://www.designdivision.org/northbridge-gateway>

## WHAT IS IT?

Participatory mapping – also called community-based mapping – describes a set of approaches and techniques that combines the tools of modern cartography with participatory methods to represent the spatial knowledge of local communities. Participatory mapping is steeped in the premise that local residents possess expert knowledge of their local environments and focuses on how to express that knowledge in a universally recognized medium (i.e. maps).

Participatory maps often represent a socially or culturally distinct understanding of landscape and include qualitative information that is often excluded from mainstream or official maps. Maps created by local communities represent the place in which they live, showing those elements that communities themselves perceive as important such as customary land boundaries, traditional natural resource management practices, sacred areas, and so on.<sup>1</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

The Charleston Civic Design Center uses participatory mapping as a key tool in different workshops and events that they host, especially as a way to gather resident's input around future developments.

## RECOMMENDED ACTIONS TO STRENGTHEN THE TOOL:

- The city should evaluate how participatory mapping could be useful to collect information for affordable housing policies, especially information that is currently missing from the data sets present in the city
- Once the city has identified information or data gaps that could benefit from participatory mapping, the city should pilot a few programs using participatory mapping for the purposes of gathering information around affordable housing



A CCDC led a 2-day open studio for the Northbridge Gateway project using participatory mapping as a tool<sup>2</sup>

## LEARNING FROM ENVISION CAMBRIDGE

Envision Cambridge is an ongoing three-year public process with the City of Cambridge, MA to develop a comprehensive plan for a livable, sustainable, and equitable city. The city partnered with a private planning firm, Interboro Partners, to gather and synthesize inputs from those who live, work, study, and play in Cambridge. The Envision Cambridge plan includes recommendations on a broad range of topics such as housing, mobility, economic opportunity, urban design, climate and the environment.

In order to create a highly accessible way for residents to provide their feedback, **Interboro developed a variety of tools to make it fun, quick, and easy for people to participate in comprehensive city planning processes.** One tool was a mobile participatory mapping engagement station.<sup>3</sup> By using this participatory mapping tool, residents were able to contribute what they do and don't like about Cambridge and also share their hopes for the future.



Photos of the mobile table created for participatory mapping<sup>4</sup>

3  
Adapted excerpt  
from: <http://www.interboropartners.com/projects/envision-cambridge>

4  
Reference for  
all photos:  
<http://www.interboropartners.com/projects/envision-cambridge>

### TAKEAWAYS:

- Participatory mapping is a way to gather community expertise that can add important information to the data sets already present in a city
- Participatory mapping is also a way to gather valuable qualitative data, such as resident's opinions and receptiveness to potential new affordable housing policies



# TOOL 6: SOCIAL MEDIA CAMPAIGNS

1

Adapted excerpt from: <https://www.humansofnewyork.com/>

2

Reference for photo: <https://thoughtcatalog.com/kim-quindlen/2015/06/15-beautiful-heartening-inspiring-humans-of-new-york-photos/>

## WHAT IS IT?

Social media (platforms like Facebook, Twitter, Instagram) can be a powerful tool to communicate, educate, and create online communities. Social media campaigns are coordinated efforts by an entity to reinforce marketing or assist with different goals of an organization. By utilizing this tool, local jurisdictions are able to not only promote and educate the public on housing policies and programs, but also can create campaigns that can combat some of the myths and stereotypes around affordable housing.

## WHAT IS CHARLESTON CURRENTLY DOING:

The city of Charleston currently has a Facebook, Instagram and Twitter account

with robust followings (Facebook – 400,000 followers, Instagram – 223,000 followers, Twitter – 76,000 followers). The city of Charleston's Instagram has the biggest following, and is currently geared towards tourism.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should survey which social media platforms are most popular amongst Charleston residents
- The city should consider different ways to use social media to promote, educate and advocate for new affordable housing policies/initiatives
- The city should consider strategies to use social media to demystify certain myths about those needing affordable housing in the city

## LEARNING FROM HUMANS OF NEW YORK

Humans of New York began as a photography project in 2010. The initial goal was to photograph 10,000 New Yorkers on the street and create an exhaustive catalogue of the city's inhabitants. Along the way, the creator of the project, Brandon Stanton, began to interview subjects in addition to photographing them. Taken together, these portraits and captions became the subject of a vibrant blog. **HONY now has over twenty million followers on social media, and provides a worldwide audience with daily glimpses into the lives of strangers on the streets of New York City, breaking down stereotypes and encouraging community.**<sup>1</sup>

This type of social media strategy could be especially salient for strategies around dispelling myths around affordable housing. Considering the severity of the housing crisis in Charleston, this type of strategy could

help residents better understand how universal the crisis is and establish a greater sense of unity.



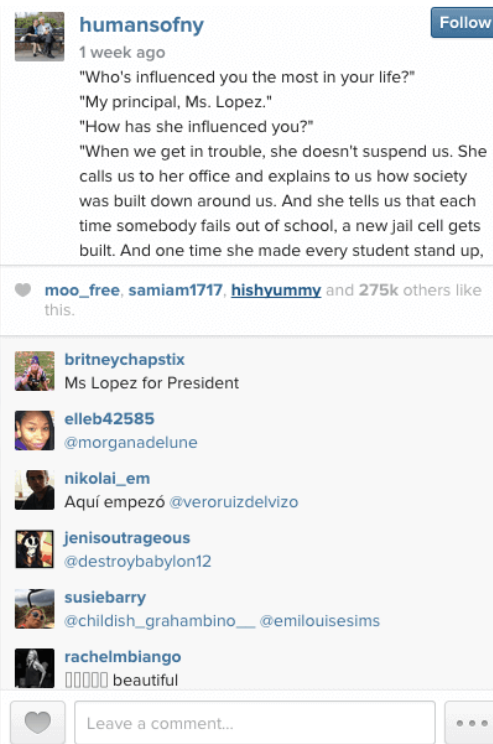
Humans of New York

1 hr · 🌐

"I've been having nerve issues, and this past year it's gotten so bad that it hurts too much for me to walk. It was completely unexpected. I've always been such an optimistic person, but now I'm fighting with depression. He's doing everything he can to take my mind off of it. We're not sure if I'm going to get better, but he's planning a backpacking tour through Europe for when I do. And I told him that I didn't think I could handle a visit to New York right now, but he told me that he'd push me around the whole city. And he has. And whenever I feel particularly down, he tells me that he's not going anywhere, and how happy he is that he married me. Not long ago I had a particularly rough period, and when I was at one of my lowest moments, he asked if we could renew our vows."



HONY post<sup>2</sup>



3  
Reference for photo: <http://www.bkmag.com/2015/01/28/humans-of-new-york-to-launch-scholarship-for-brownsville/>

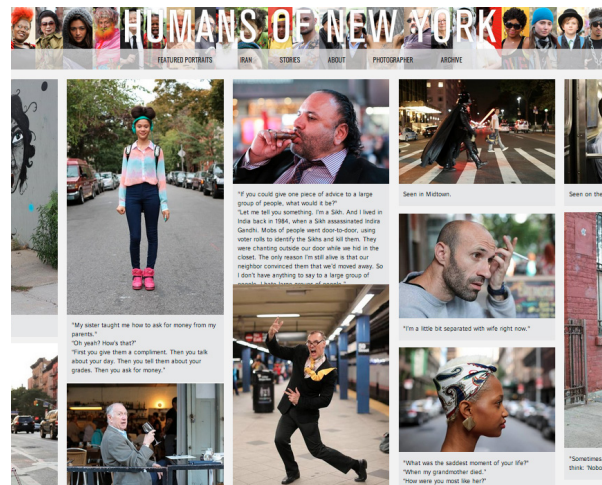
4  
Reference for photo: <http://georgiapoliticalreview.com/changing-the-world-on-e-face-book-post-at-a-ti-me/>

5  
Reference for photo: <https://andphilosophy.com/2015/01/27/humans-of-new-york-and-philosophy/>

This HONY post spurred the creation of a scholarship program for teens in Brownsville, Brooklyn<sup>3</sup>



HONY post<sup>4</sup>



HONY blog feed<sup>5</sup>

## TAKEAWAYS:

- Social media can be a powerful tool in communicating messages, building empathy, and also providing information to engage voters on local issues
- Different social media campaigns can be helpful to gain momentum for new housing initiatives or demystify any preconceived notions about affordable housing



# TOOL 7: STORYTELLING

1  
<https://www.beyondintractability.org/es/say/narratives>

2  
[https://www.postandcourier.com/charleston\\_scene/charleston-storytelling-series-lets-community-members-share-real-life-moments/article\\_6b6435b4-e2c9-11e8-ad65-b70a3bbf1a93.html](https://www.postandcourier.com/charleston_scene/charleston-storytelling-series-lets-community-members-share-real-life-moments/article_6b6435b4-e2c9-11e8-ad65-b70a3bbf1a93.html)

3  
[https://www.postandcourier.com/charleston\\_scene/charleston-storytelling-series-lets-community-members-share-real-life-moments/article\\_6b6435b4-e2c9-11e8-ad65-b70a3bbf1a93.html](https://www.postandcourier.com/charleston_scene/charleston-storytelling-series-lets-community-members-share-real-life-moments/article_6b6435b4-e2c9-11e8-ad65-b70a3bbf1a93.html)

4  
Reference for photo: [https://www.postandcourier.com/charleston\\_scene/charleston-storytelling-series-lets-community-members-share-real-life-moments/article\\_6b6435b4-e2c9-11e8-ad65-b70a3bbf1a93.html](https://www.postandcourier.com/charleston_scene/charleston-storytelling-series-lets-community-members-share-real-life-moments/article_6b6435b4-e2c9-11e8-ad65-b70a3bbf1a93.html)

## WHAT IS IT?

Storytelling describes the activity of sharing stories, sometimes with improvisation, theatrics, or embellishment. Every culture has its own stories or narratives, which are shared as a means of entertainment, education, cultural preservation or instilling moral value.<sup>1</sup>

Many non-profits and artists have used storytelling events to bring disparate groups together to share experiences and cultivate deeper empathy around structural barriers and injustices (such as housing instability or job instability).

## WHAT IS CHARLESTON CURRENTLY DOING:

"Truth Is" is Charleston's monthly storytelling series at Gala Desserts in Avondale. It's a local version of similar national projects like The Moth, which gives community members a platform to share their stories and, in turn, listen and relate to each other. For the Charleston rendition, which is less of a "slam" competition and more of a no-pressure storytelling circle, there is a theme associated with each event to help get the creative juices flowing — like

"identity crisis," "odd jobs," "trapped" or the upcoming "true colors." Anyone can sign up to share a story.<sup>2</sup>

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

-The city should consider plugging into local storytelling events, such as "Truth is", with themed nights around housing. This could spark stories that range from funny stories of terrible room-mates, or painful stories about being displaced. These types of stories can allow communities to become more empathic towards different experiences.

-The city should brainstorm ways that storytelling could establish empathy amongst residents, especially when addressing NIMBY-ism

-The city should consider creating partnerships between storytelling efforts and local podcast efforts (e.g. Post and Courier's Understand SC<sup>3</sup>) to create a podcast series around people's experience with affordable housing in Charleston

-The city should look into partnering with performing arts festivals, like Spoleto, to host storytelling events specifically around housing



The monthly "Truth Is" storytelling series has been going on for over two and a half years in Charleston<sup>4</sup>

## LEARNING FROM “WHERE WILL WE LIVE”

In 2017, the National Housing Trust (NHT) and Enterprise Community Partners launched “Where Will We Live?”, an outreach and advocacy campaign meant to lift the voices of affordable housing residents and community members in support of housing resources. The campaign uses storytelling to draw the connection between access to affordable housing and health, education, and economic opportunity. Nearly 200 residents and community members shared their personal experiences related to affordable housing.

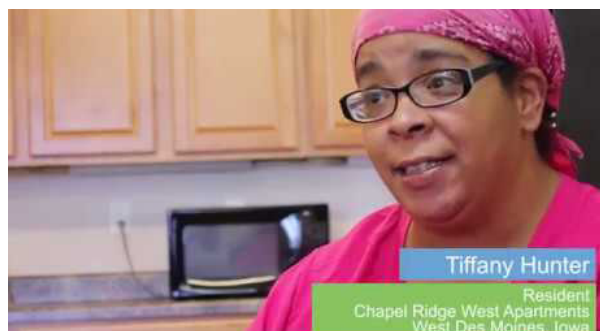
The program is rooted in an awareness that a person’s understanding of the need for affordable housing may be influenced by numerous subconscious biases, such as their views on the appropriate role of government or the definition of community. The stories in the Where Will We Live? gallery paint a vivid picture that help to deconstruct and explain a complicated issue, demonstrating that a well-documented story can change perspectives and inspire action through empathy and shared experiences.

**Sharing resident stories with elected officials and community members can highlight how access to affordable housing directly impacts the lives of low-income families and their surrounding community.** These are not just numbers, facts, or figures. The stories present real people: nurses, students, immigrants, refugees, and single parents.

By sharing their stories, each individual can educate and advocate for additional resources to help break the poverty cycle in their communities and ensure that everyone has access to an affordable, quality home. The National Housing Trust and Enterprise hope that fellow advocates and educators use and share the Where Will We Live stories for their own education advocacy efforts.<sup>5</sup>



A resident shares her story for part of the Where will we live? Podcast series<sup>6</sup>



Still from the Where will we live? video series<sup>7</sup>

5  
Adapted excerpt from: <https://shelterforce.org/2019/10/18/story-telling-make-the-case-for-affordable-housing/>

6  
Reference for photo: <https://www.nationalhousingtrust.org/news-article/where-will-we-live-featured-podcast>

7  
Reference for photo: <https://www.nationalhousingtrust.org/voices-out-loud/tiffany-hunter>

### TAKEAWAYS:

- Storytelling can be a powerful tool in building empathy and allowing people to connect and unify around shared experiences
- Storytelling can be a powerful advocacy tool and can also help cities combat certain attitudes such as NIMBYism



# TOOL 8: DINNER PARTIES

1

See one example here: <https://psmag.com/social-justice/a-dinner-party-on-the-streets-of-oakland-for-500-people>

2

<https://fortune.com/longform/charleston-restaurants-food-scene/>

3

<https://www.eater.com/2016/3/22/11264104/gullah-food-charleston>

4

<http://www.fromlagos.com/>

5

Ibid

6

Reference for photo: Daniel Meigs, <https://www.nashvillescene.com/food-drink/features/article/21015804/ht-chicken-sht-addresses-gentrification-in-north-nashville>

## WHAT IS IT?

Dinner parties, an informal gathering of folks often hosted at someone's house, can cultivate deep and rich conversations. There has been an increasing trend of activists, artists, chefs and nonprofits recognizing the power of bringing a group of people together and connecting over food to have tough conversations.<sup>1</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

According to Explore Charleston, a recent annual report from the College of Charleston's Office of Tourism Analysis revealed that 7.28 million visited Charleston in 2018.<sup>2</sup> Food and history were the two biggest tourism draws and the hospitality industry continues to help power the local economy. However, the growth of Charleston's restaurant scene in the last 20 years has coincided with a gentrification that's brought with it higher

residential and commercial rents, and changed the demographics of the city from being over 60 percent black in the 1980s to being only roughly 30 percent black as of the 2014 census.<sup>3</sup>

Food has the power to bring diverse groups of people together to share in an experience. While Charleston currently does not have a formal program connecting the food scene and culture to affordable housing, this could be a great opportunity to informally gather people to have difficult conversations.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

-The city should consider partnering with local restaurants to have dinner parties throughout the city to talk about different topics related to affordable housing such as gentrification, segregation, and the affordability crisis

## LEARNING FROM CHEF TUNDE WEY

Tunde Wey is a Nigerian born-and-raised new Orleans-based artist, cook, and writer who uses Nigerian food and dining spaces to interrogate systems of power.<sup>4</sup>

In 2016, Wey launched a dinner series called "Blackness in America," where he traveled to cities like Oakland, Pittsburgh, Austin, and Memphis, and invited food activists, professors, writers and artists to engage guests from varied backgrounds on racism from the perspective of black people.<sup>5</sup>

In 2018, Wey launched a new pop up dinner party in Nashville Tennessee called H\*t Chicken S\*\*t, which was a **dinner party to confront and talk about gentrification**. Each table, which where



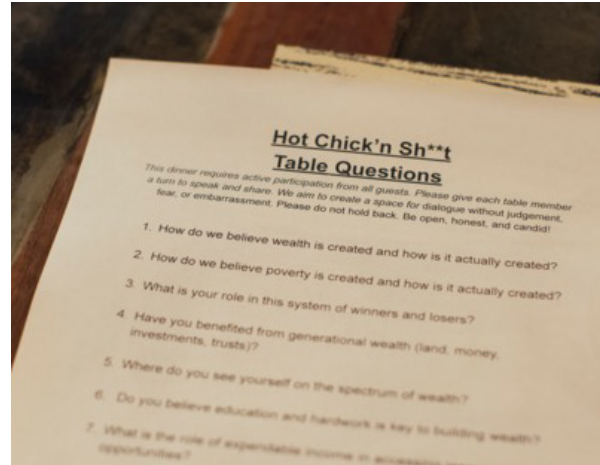
Wey preparing the dinner<sup>6</sup>

categorized as an A or B table, had a list of the same seven discussion questions about wealth, poverty and individual responsibility. The questions spanned the areas of education, jobs, commute times etc. and all pointed to housing as a linchpin.

More than an hour after diners were served, Wey came out of the kitchen and revealed that those at A tables received more courses and larger portions than those at B tables. But significantly, those at the A tables didn't notice the disparity — they didn't notice that other people didn't have as much as they did. And the folks at the B tables, who did notice that the A tables were served more courses, didn't speak up. This was Wey's analogy for how suffering in Nashville communities can be overlooked.

In addition to this dinner party

in Nashville, Wey conducted a series of pop up dinners in North Nashville. Diners were asked to pledge funds or land in one specific census tract area (TRACT 143) in North Nashville in order to attend. Eventually, those pledges were pooled and collected in a local community land trust.<sup>7</sup>



Discussion questions for Wey's dinner<sup>8</sup>



Diners at Wey's dinner in Nashville<sup>9</sup>

7 <https://www.nashvillescene.com/food-drink/features/article/21015804/ht-chicken-sht-addresses-gentrification-in-north-nashville>

8 Reference for photo: Daniel Meigs, <https://www.nashvillescene.com/food-drink/features/article/21015804/ht-chicken-sht-addresses-gentrification-in-north-nashville>

9 Reference for photo: Daniel Meigs, <https://www.nashvillescene.com/food-drink/features/article/21015804/ht-chicken-sht-addresses-gentrification-in-north-nashville>

## TAKEAWAYS:

- Food can be a powerful tool to bring a diverse group of people together, and can also be a tool of provocation—to join people together to have uncomfortable but important conversations around housing

# EDUCATION/EMPATHY TOOLS

## CHECKLIST OF ACTION ITEMS

### TOOL 1: HOUSING EDUCATION AND COUNSELING PROGRAMS

- ☐ The city should create a survey to see which types of classes/seminars would best serve the Charleston community
- ☐ The city should create more localized classes, bringing workshops straight to different neighborhoods
- ☐ The city should create engaging housing education programs, such as games, that can help the community understand the current affordable housing crisis

### TOOL 2: EVICITION MITIGATION SERVICES

- ☐ The city should create a dashboard of evictions to better understand where residents are most vulnerable to eviction
- ☐ The city should partner with organizations such as Charleston Pro Bono Legal Services for create localized services to communities that are most in need of eviction mitigation services
- ☐ The city should look into creating right-to-counsel legislation

### TOOL 3: PARTICIPATORY PUBLIC ART PROJECTS

- ☐ The city should create formal partnerships or a specialized grant program for participatory art projects in the public realm
- ☐ The city should explore how participatory art projects can spatialize and make data around affordable housing more accessible and how they can also demystify certain myths around affordable housing

### TOOL 4: BLOCK PARTIES

- ☐ The city should look into creating block parties for affordable housing education and advocacy in different neighborhoods in the city

#### TOOL 5: PARTICIPATORY MAPPING

- ☐ The city should evaluate how participatory mapping could be useful to collect information for affordable housing policies, especially information that is currently missing from the data sets present in the city
- ☐ Once the city has identified information or data gaps that could benefit from participatory mapping, the city should pilot a few programs using participatory mapping for the purposes of gathering information around affordable housing

#### TOOL 6: SOCIAL MEDIA CAMPAIGNS

- ☐ The city should survey which social media platforms are most popular amongst Charleston residents
- ☐ The city should consider different ways to use social media to promote, educate and advocate for new affordable housing policies/initiatives
- ☐ The city should consider strategies to use social media to demystify certain myths about those needing affordable housing in the city

#### TOOL 7: STORYTELLING PROJECTS

- ☐ The city should consider plugging into local storytelling events, such as “Truth is”, with themed nights around housing. This could spark stories that range from funny stories of terrible room-mates, or painful stories about being displaced. These types of stories can allow communities to become more empathic towards different experiences.
- ☐ The city should brainstorm ways that storytelling could establish empathy amongst residents, especially when addressing NIMBY-ism
- ☐ The city should consider creating partnerships between storytelling efforts and local podcast efforts (e.g. Post and Courier’s Understand SC) to create a podcast series around people’s experience with affordable housing in Charleston
- ☐ The city should look into partnering with performing arts festivals, like Spoleto, to host storytelling events specifically around housing

#### TOOL 8: DINNER PARTIES

- ☐ The city should consider partnering with local restaurants to have dinner parties throughout the city to talk about different topics related to affordable housing such as gentrification, segregation, and the affordability crisis





# CAPACITY BUILDING TOOLS

## Overview

This section expands on seven Capacity Building Tools that Charleston could use to build coalitions around affordable housing with a variety of stakeholders. These are:

TOOL 1:  
OFFICE OF  
STRATEGIC  
INITIATIVES

TOOL 2:  
CITY REALTOR  
AND LAND  
ACQUISITION  
TASK FORCE

TOOL 3:  
HOUSING  
PARTNERSHIP  
NETWORK

TOOL 4:  
EMPLOYER  
ASSISTED  
HOUSING

TOOL 5:  
AFFORDABLE  
HOUSING  
PRESERVATION  
DASHBOARD

TOOL 6:  
HOUSING DATA  
COALITION AND  
DATA  
HACKATHONS

TOOL 7:  
NEIGHBORHOOD  
TYPOLOGIES  
DATA  
FRAMEWORK

Many of these tools are aimed at creating new platforms and institutional structures for different expertise to converge around affordable housing, often in the area of data collection. During the creation of the report, it became clear that there were many pieces of data missing that could help city officials advocate for and implement different housing policies. Many of these tools are reliant on bringing different stakeholders (city officials, private developers, non-profit developers, architects, students, residents etc.) to the table to provide different perspectives and expertise to create innovative solutions.

# TOOL 1: OFFICE OF STRATEGIC INITIATIVES

1  
<https://www.unchcr.org/innovation/wp-content/uploads/2017/12/>

2  
<https://www.govtech.com/people/Meet-Tracy-McKee-the-New-Innovation-Chief-in-Charleston-SC.html>

3  
<https://www1.nyc.gov/site/partnerships/about/about-strategic-partnerships.page>  
OGuide20for20  
Making20Innovation20Offices20Work.pdf

## WHAT IS IT?

In the last five years, a growing number of local, state, and federal government entities have designed new offices, such as innovation offices or offices of strategic partnerships, in order to pursue some of the following goals:

- Encourage an ethos of innovation across departments
- Pursue specific projects that align with strategic goals
- Augment the work of existing departments
- Cultivate relationships with different sectors

By allocating a department and staff specifically to large scale visioning and strategic goals, jurisdictions have been able to establish the capacity to constantly evaluate, monitor, and push forward programming to help achieve their large scale vision.<sup>1</sup>

## WHAT IS CHARLESTON CURRENTLY DOING:

The city of Charleston created an Office of Innovation by hiring of a new Chief Innovation Officer in 2019.<sup>2</sup> The role spans improving organizational and operational efficiency, especially when it comes to the Mayor's three key goals: flood mitigation, increasing accessibility, and addressing the affordable housing crisis. In 2019, the city also hired a Director of Diversity, Racial Reconciliation, and Tolerance, a role which reflects one of the Mayor's key goals.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

-The city should look into creating an office of strategic initiatives or hiring a Chief of Strategic Initiatives focused on the mayors primary goals (e.g. flooding, mobility, housing)

## LEARNING FROM NYC STRATEGIC PARTNERSHIPS

In 2014, Mayor Bill de Blasio created the Mayor's Office of Strategic Partnerships (OSP) to develop strategic partnerships that further the administration's goal of making New York City the fairest city in the nation. By harnessing the resources and expertise of the business, philanthropic and non-profit sectors, the city hopes to explore solutions for the most pressing challenges that are both innovative and consistent with the vision of making NYC a more equitable city.

The OSP coordinates and oversees the priorities and strategies of the City-affiliated nonprofits, with a focus on bringing greater collaboration, efficiency and alignment to the City's public-private partnerships. From its unique vantage

point in City Hall, the OSP has a global view, matching the needs of communities and service providers with the varied resources of the City's diverse private and philanthropic partners.

The OSP looks to accomplish this matching in a way that is aligned with and resonant of the governing principles and priorities of the administration. This means more than a one-stop-shop for civic engagement and investment; the **OSP strives to elevate, harness and co-create the City's public-private partnerships in a way that ensures that communities, agencies and the Funds are working in concert across silos and across the City to meet the needs of all New Yorkers.**<sup>3</sup>

## LEARNING FROM BOSTON OFFICE OF NEW URBAN MECHANICS

The Mayor's Office of New Urban Mechanics (MONUM) was formed in 2010 as the Mayor's civic research and design team (one of the first in the nation). The office explores and tackles experiments and prototypes that cover a range of topics. This includes everything from the future of mobility to City infrastructure to collective well-being. The office maintains a **cross-**

**disciplinary approach to tackle the Mayor's strategic priorities** and the most pressing challenges in Boston by utilizing design thinking.<sup>4</sup>

Within MONUM, there is a Housing Innovation Lab, which is a department looking to increase housing affordability in Boston by testing innovative housing models and accelerating the pace of innovation in the housing sector.<sup>5</sup>



One of the MONUM housing innovation lab's pilot projects, the Plugin House is an easy to assemble, prefabricated ADU that was installed for the public throughout the Boston area<sup>6</sup>

4  
Adapted excerpt from: <https://www.boston.gov/departments/new-urban-mechanics>

5  
<https://www.boston.gov/departments/new-urban-mechanics/housing-innovation-lab>

6  
Reference for photo: <https://www.architects.org/events/3506/2018/06/25/designing-boston-accessory-dwelling-units>

### TAKEAWAYS:

- An office for strategic initiatives could help the city build capacity around the Mayor's strategic goals
- Since many departments are overburdened with tasks or at capacity, it can be extremely helpful to have staff who can focus attention on the larger picture and can build momentum on priority initiatives such as advancing towards large goals on affordable housing



# TOOL 2: CITY REALTOR AND LAND ACQUISITION TASK FORCE

1

<https://govlab.hks.harvard.edu/active-contract-management>

## WHAT IS IT?

Hiring a city realtor and creating a land acquisition task force are two ways that cities have been able to locate and acquire parcels/properties where affordable housing can be built.

## WHAT IS CHARLESTON CURRENTLY DOING:

At the moment there is no comprehensive map or dashboard reflecting Charleston's Housing and Neighborhood Development's portfolio projects or a dashboard reflecting priority projects for the HCD department to acquire. By leveraging developer and realtor expertise in the city, Charleston could create a more comprehensive dashboard for priority acquisitions to expand the affordable housing stock.

In Spring of 2019, the city of Charleston hired a city realtor to help locate potential parcels of land that city should acquire to build affordable housing.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

-The city should use active contract management tools to monitor the contract with the city realtor<sup>1</sup>

-In addition to the city realtor, the city should form a comprehensive strategy for land acquisition for the next few years, considering:

- How will the city approach properties reaching the end of their LIHTC term period and are at risk to being converted to market rate housing?
- What are strategic parcels that the city can acquire for the CLT?

-In order to create this land acquisition strategy, the city should create a short term task force (maximum 1 year period) with local private and non-profit sector developer experts to advise on potential parcels for acquisition - this could potentially be combined with the work on how to best leverage tax credits (see page 80)

-The city should create a map/dashboard of HCD properties currently in their portfolio to help aid the land acquisition strategy

## LEARNING FROM DETROIT'S BLIGHT REMOVAL TASK FORCE

In 2013, Detroit's Blight Removal Task Force was created to support and accelerate Detroit's revitalization. The Task Force brought private, philanthropic, nonprofit, federal, and state partners together with the city to develop a straightforward and detailed set of recommendations. The mission was to address every blighted residential, commercial, and public structure in the entire city as quickly as possible, as well as to clear every neglected vacant lot.

The Task Force created a larger working group (Steering Committee) with strategic partners from a broader background bringing the expertise, man-power, and perspective to research and curate the enormous amount of information needed to inform the Task Force.

Early on the task force recognized that there was no comprehensive database that defined the current scope of blight in Detroit. Thus the Task Force,

in partnership with Michigan Nonprofit Association, Data Driven Detroit, and Loveland Technologies, conducted a physical survey that gathered property condition data for all 380,000 parcels in the entire city, called Motor City Mapping (MCM). The goal of the MCM survey was to **create a comprehensive database of detailed information including the condition of each and every property in the city.** The process is designed to be scalable and repeatable to ensure that relevant data will be available for policy makers both now and in the future.<sup>2</sup>

The task force developed a robust report in 2014, with an equally robust set of recommendations. The impact of the task force has been widespread and influenced the launch of a demolition plan by the Detroit Land Bank in 2014.<sup>3</sup>

While this task force is handling content that is different than land acquisition, there are many lessons to

be derived from the Blight Removal Task force. First, the operation was catalytic in nature – this was not a task force that was envisioned to convene in perpetuity, and rather was a group that did work in a very concentrated time to create a set of tools for the city. This was helped by creating a very specific scope of work and time frame from the outset of the project.

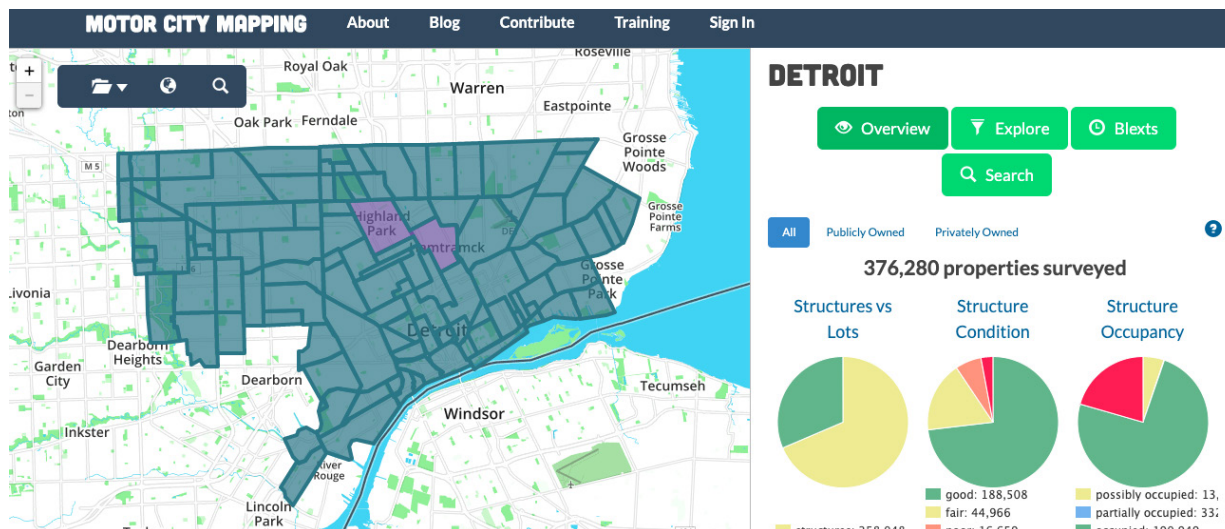
Second, the task force brought together a large cohort of different stakeholders, recognizing the importance of bringing different expertise and perspectives to the table.

Third, the task force used a data driven strategy and recognized the importance of data to drive policy decisions. By creating a comprehensive dashboard, the city now has information that can help them advocate for different policy actions moving forward.

2 Adapted excerpt from: <http://jack-seanson.github.io/task-force/intro/>

3 <https://www.politico.com/magazine/story/2017/05/18/how-detroit-is-beating-its-blight-215160>

4 Reference for photo: <https://landgrid.com/reports/mcm>



Still of of the Motor City Mapping project<sup>4</sup>

## TAKEAWAYS:

- Creating a comprehensive database for land acquisition can give cities a valuable resource in recognizing priority properties for building affordable housing
- These databases allow cities to better monitor new opportunities for building affordable housing before its too late

# TOOL 3: LOCAL HOUSING COALITION/ NETWORK

1  
Adapted excerpt  
from: <https://housingpartnership.net/>

2  
Reference for  
photo: <https://housingpartnership.net/abo ut>

## WHAT IS IT?

Across the nation and at different scales, affordable housing networks have been formed with the intention to convene for-profit and non-profit developers who have the shared goal of increasing the affordable housing stock in their community. These networks act both as places for innovation, collaboration, education, and spaces to leverage the various points of expertise at the table for the highest amount of impact in their different locales.

## WHAT IS CHARLESTON CURRENTLY DOING:

There are two formal convening spaces for local housing practitioners in Charleston: *The Mayor's Commission on Homelessness and Affordable Housing*

and the *Charleston County Affordable Housing Task Force*. However, due to the structure of these platforms, meetings can not always accommodate large numbers of participants, and thus may not be entirely inclusive of all the key stakeholders in the housing community.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should consider creating an open meeting space, inviting all local affordable housing practitioners to convene regularly
- The goals of these meetings should not only be to leverage expertise and brainstorm new policies for the city, but also to have a network for collaboration on various affordable housing projects on the pipeline

## LEARNING FROM THE HOUSING PARTNERSHIP NETWORK (HPN)

The Housing Partnership Network(HPN) is a group of 100 top-performing, high-capacity nonprofit housing developers, owners and financial institutions throughout the United States. The group's shared mission is to help millions of people gain access to affordable homes and thriving communities that offer economic opportunity and an enhanced quality of life. As leaders in the field, HPN has built a network and a group of innovative social enterprises that deliver powerful results for the people and communities they serve. **The Housing Partnership Network leverages a collective talent, market power, and business innovation of their members to achieve more together than one could acting alone.**

HPN facilitates peer-to-peer learning and promotes policy and practice that is based on the proven experience of some of the nation's most successful nonprofits. Through their unique networked approach, organizations and leaders accelerate and scale innovation to more rapidly respond to changing market challenges and opportunities. Together, they have created and operate a family of social enterprises that strengthen the business performance and social impact of their members.<sup>1</sup>



Basic information on the HPN<sup>2</sup>

## LEARNING FROM THE DEVELOP DETROIT INITIATIVE FROM HPN

Following the success of the Gulf Coast Housing Partnership Network in post-Katrina New Orleans, the Housing Partnership Network (HPN) launched Develop Detroit in 2015. **HPN's goal was to create a high-performing nonprofit developer that could help drive new housing investment in Detroit's neighborhoods.**<sup>3</sup>

Since 2015, Develop Detroit has established itself as a strong nonprofit developer in the city of Detroit. One of

their projects is renovating and building 70 affordable homes in north Detroit. Along with this project, Develop Detroit is creating a \$1 million micro-fund for the neighborhood to address blight, increase community engagement, identify viable development areas and improve productivity through technology.<sup>4</sup>

Networks such as HPN are able to leverage resources in order to catalyze new nonprofit developers, such as, Develop Detroit.

3 Adapted excerpt: <https://housingpartnership.net/develop-detroit>

4 <https://www.crainsdetroit.com/real-estate/develop-detroit-plans-new-neighborhood-fund-it-makes-progress-70-home-project>

5 Reference for photo: <https://www.developdetroit.org/sugar-hill-mixed-use-development/>



### Sugar Hill Mixed-Use Development

**MIDTOWN**  
Garfield + John R. intersection in Midtown

Currently a vacant site, the Sugar Hill Arts District mixed-use development will create an inclusive community, reinforcing urban vitality and inclusion in one of Detroit's most dynamic districts. An iconic design from renowned architect Phil Freelon showcases a highly walkable micro-urban environment that features a tightly woven network of housing, pedestrian streets, parking and retail spaces, along with state-of-the-art green and sustainable technology.

**\$32M INVESTMENT**

**84 UNITS**

- Luxury Apartment Homes
- World-Class Architectural Design
- 11,000 SF Retail Space Including On-Site Subsidized Preschool

**DEVELOPMENT PLAN:**

- Rents affordable to artists, professionals, faculty, and veterans
- Green pedestrian alley with public amenities and neighborhood retail options
- Project supports veterans by providing quality housing
- Construction begins: Winter 2018

One of Develop Detroit's Projects - the Sugar Hill Development<sup>5</sup>

## TAKEAWAYS:

- Housing networks and coalitions allow cities to leverage the expertise of a variety of housing practitioners and stakeholders to have a larger impact by working collaboratively



# TOOL 4: EMPLOYER ASSISTED HOUSING

1  
Excerpt from:  
<https://www.local-housingsolutions.org/act/housing-policy-library/employer-assisted-housing-programs-overview/>

2  
<https://www.charleston-sc.gov/DocumentCenter/View/394/Homeownership-Initiative-Program-Brochure?bidId=>

3  
<https://www.charleston-sc.gov/DocumentCenter/View/17820/Plan-West-Ashley-Full-Report?bidId=>

## WHAT IS IT?

Employer-assisted housing (EAH) programs provide a channel through which employers can help their employees with the cost of owning or renting a home, typically in neighborhoods close to the workplace. Assistance may be provided in a variety of ways, including through down payment grants or loans that are forgiven over a period of employment, homeownership counseling and education, rental subsidies and, less commonly, direct investment in the construction of rental housing.

In addition to offering their own EAH programs for public-sector employees, cities, towns, and counties can provide incentives to encourage private-sector employers to initiate their own programs. For example, local governments can provide a dollar-for-dollar match for employer contributions to EAH programs. Local governments (either directly or by funding a nonprofit) can also offer administrative assistance to employers interested in adopting an EAH program; this can range from help designing the program all the way to managing it on behalf of the company.

Participating EAH companies benefit from improved recruitment in high-cost areas and higher rates of employee retention. EAH programs can also be used to help promote community stabilization and redevelopment – for example, by encouraging an influx of new residents in neighborhoods that may have experienced disinvestment.<sup>1</sup>

EAH programs are likely to be most feasible in communities that have one or more large employers with a

moderate-income workforce.

## WHAT IS CHARLESTON CURRENTLY DOING:

The City of Charleston offers assistance to employees as part of the City's First Time Homebuyer Program. The Initiative targets first time homeowners making between 50% and 120% of the AMI. The city provides a combination of newly constructed and rehabilitated homes for sale to these families in five Charleston neighborhoods – Cannonborough, Elliotborough, the West Side, the East Side and the Rosemont Community.<sup>2</sup>

The city also has an Employer Assisted Housing program with one outside employer currently participating in the program.

Charleston has a variety of large employers in the city, and major institutional employers may be willing to individually or collectively create an employer-assisted housing initiative to reinvest in their communities and improve worker access and productivity.<sup>3</sup>

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should look into creating financial incentives for private-sector employers in Charleston to increase participation in their EAH program (e.g. matching contributions)
- The city should evaluate different ways to support private-sector employers to create their own EAH program, such as providing administrative assistance in designing or managing the program

## LEARNING FROM AFLAC

The Aflac EAH program was developed as a partnership with NeighborWorks Columbus. In an effort to promote homeownership opportunities and enhance community stability, Aflac and NeighborWorks Columbus designed a program that provides grants that Aflac employees can use toward the purchase of a first home and encourages those purchases in targeted neighborhoods by offering additional grant money. Aflac provides down payment and closing cost assistance in the form of “no strings attached” grants, as well as homeownership and financial counseling.

Aflac’s EAH program has enhanced the company’s reputation as

an “employer of choice.” Aflac’s 2007 survey of program participants revealed that **72 percent feel Aflac’s financial contribution to EAH will influence their decision to remain with the company.**<sup>4</sup>



Lasada Williams, Customer Service Specialist at Aflac, is a beneficiary of Aflac’s EAH program<sup>5</sup>

## LEARNING FROM JOHNS HOPKINS

Since 1997, Maryland’s Johns Hopkins University has operated an EAH program in partnership with the city of Baltimore’s “Live Near Your Work” initiative and, through 2004 with the State of Maryland, which provided \$1,000 to grantees. **Johns Hopkins provides eligible employees with a \$1,000 grant to purchase a home within a designated area, which is then matched by a \$1,000 grant from Baltimore City.** If an employee chooses to buy a home in the target area — one of the neighborhoods surrounding or relatively near to the university’s main campus — he or she receives a \$500 bonus grant from Johns Hopkins.

To date, more than 350 Johns

Hopkins employees have taken advantage of the program, including at least 40 Johns Hopkins Health System employees. Johns Hopkins also has initiated preliminary conversations with other local institutions, such as the University of Baltimore and the Maryland Institute College of Art (MICA), about the possibility of creating a joint homebuyer assistance program and a shared-appreciation mortgage product for EAH program participants. This effort would encourage alumni, employees, retirees and students to buy homes in the communities surrounding these institutions.<sup>6</sup>

4  
Excerpt from:  
<https://www.metroplanning.org/uploads/cms/documents/hwfeahfinal.pdf>

5  
Reference for photo:  
<https://www.metroplanning.org/uploads/cms/documents/hwfeahfinal.pdf>

6  
Excerpt from:  
<https://www.metroplanning.org/uploads/cms/documents/hwfeahfinal.pdf>

## TAKEAWAYS:

- EAH programs offer unique opportunities for the city to partner with local employers to help encourage first time homeownership as well as employee retention
- Jurisdictions can support EAH in a variety of ways (financial, administrative, etc.)

# TOOL 5: AFFORDABLE HOUSING PRESERVATION DASHBOARD

1  
<https://www.realtymogul.com/knowledge-center/article/what-is-class-a-class-b-or-class-c-property>

2  
<https://noahimpactfund.com/impact-investing-affordable-housing-minnesota/what-is-noah/>

3  
Excerpt from:  
<https://preservationdatabase.org/about-the-database/>

## WHAT IS IT?

A majority of America's affordable housing operates without subsidy and is referred to as **Naturally Occurring Affordable Housing** (NOAH). NOAH refers to residential rental properties that are affordable, but are unsubsidized by any federal program. Their rents are relatively low compared to the regional housing market.

NOAH properties are typically Class B and Class C<sup>1</sup> rental buildings, meaning that they are generally older buildings, built between 1940 and 1990. Rents are lower-ranging, generally between \$550 and \$1,200 per month, affordable to low and moderate income households.

NOAH units are the most common affordable housing in the United States. However, these units are also the housing at greatest risk of being lost due to market speculation and upgrades that result in higher rents and lost affordability. When rents are raised, low-income families lose access to this housing.<sup>2</sup>

Many cities have created platforms to discuss and create

recommendations for how to preserve NOAH.

## WHAT IS CHARLESTON CURRENTLY DOING:

Charleston currently does not have a database or dashboard locating NOAH units in the city. It is difficult to say where NOAH may be present, or how prevalent this type of housing is in Charleston.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should create a dashboard or database locating where NOAH units are in Charleston and add this information to the KPI Affordable Housing Inventory Dashboard

- The city should create a committee of public officials across different departments for reviewing and creating an action plan for how to preserve NOAH units throughout the city

- Once NOAH properties have been identified, the city should consider how to use this information to advocate for certain tools (e.g. a Stay Put Fund as outlined on page 88)

## LEARNING FROM THE NHPD

The National Housing Preservation Database (NHPD) was created in 2011 in **an effort to provide communities with the information they need to effectively preserve their stock of public and affordable housing.**

The NHPD is an address-level inventory of federally assisted rental housing in the US. The agencies and departments that fund these programs have data on the individual programs that they manage, but there is no central

location where all of these data points are integrated. This makes it difficult to get a clear picture of the current stock of public and affordable housing in a community. It also means those who wish to preserve public and affordable housing in their community cannot easily get the information they need about particular properties. By creating the NHPD, the PAHRC and NLIHC hope to address these issues.<sup>3</sup>

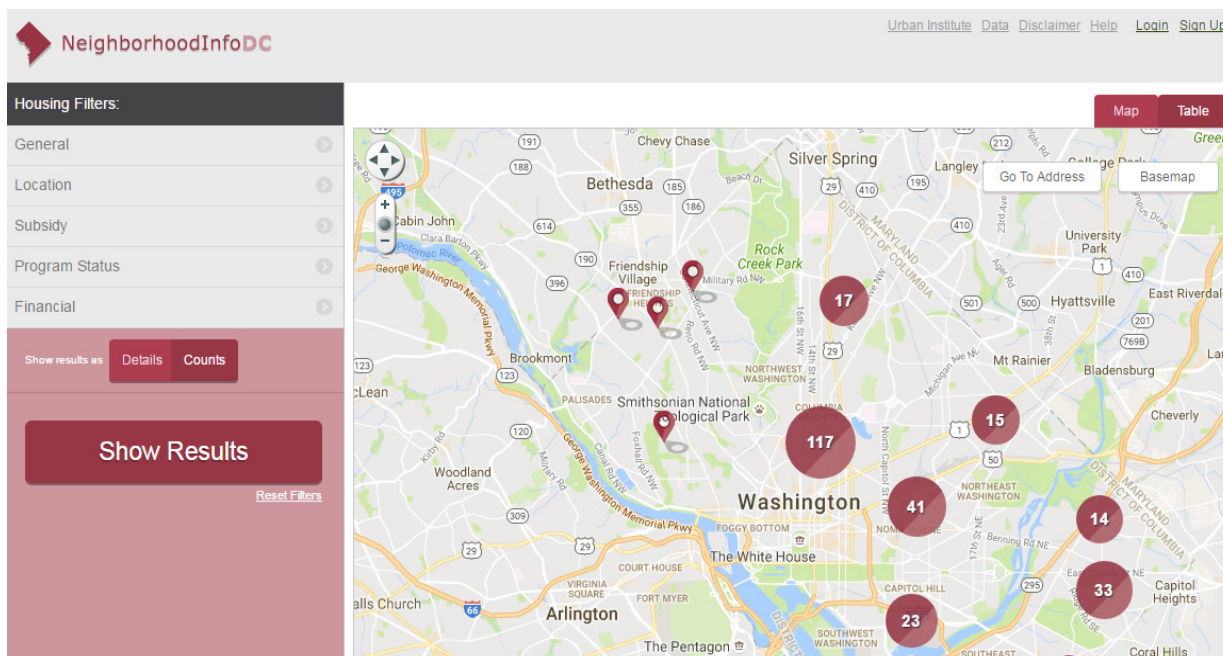
## LEARNING FROM D.C.'s PRESERVATION NETWORK

The DC Preservation Network is a group of government agencies and community-based organizations working to preserve affordable housing in the District of Columbia. Urban-Greater DC maintains and updates the DC Preservation Catalog, a database of rental properties with units affordable to low-income households (at or below 80% area median income) through one or more federal or local housing subsidy programs.<sup>4</sup>

The DC Preservation Network **meets monthly to discuss properties identified in the Catalog as being at-risk and to develop strategies for preserving these units.** The Catalog includes property names, locations,

and data on the various subsidies that contribute to a property's affordability, including each subsidy's effective expiration dates and the number of income-restricted units. The Catalog is used by a network of city agencies, nonprofits, community organizations, affordable housing developers, and HUD (the DC Preservation Network) to develop responses and strategies to preserve affordable housing for low-income residents.<sup>5</sup>

This dashboard, as well as the groups advocacy efforts helped to launch in 2017 the D.C. Department of Housing and Community Development's \$10 million public-private fund dedicated to preserving affordable housing.<sup>6</sup>



Still of the Preservation catalog<sup>7</sup>

4 <https://www.neighborhoodindicators.org/activities/partner/dc-preservation-network>

5 <https://www.neighborhoodindicators.org/activities/partner/dc-preservation-network-launches-online-preservation-catalog>

6 [https://www.washingtonpost.com/local/dc-establishes-10-million-fund-to-preserve-disappearing-affordable-housing/2017/11/26/242893ea-cbb7-11e7-a965-54417592cf72\\_story.html](https://www.washingtonpost.com/local/dc-establishes-10-million-fund-to-preserve-disappearing-affordable-housing/2017/11/26/242893ea-cbb7-11e7-a965-54417592cf72_story.html)

7 <https://www.neighborhoodindicators.org/activities/partner/dc-preservation-network-launches-online-preservation-catalog>

### TAKEAWAYS:

- Comprehensive data sets become powerful tools when looking to advocate and preserve naturally occurring affordable housing
- Through partnerships with nonprofits and local universities, Charleston can close data gaps and improve existing data sets



# TOOL 6: HOUSING DATA COALITION AND DATA HACKATHONS

1  
<https://www.housingdatanyc.org/>

2  
<https://data-charleston-sc.opendata.arcgis.com/>

3  
Excerpt from:  
<https://www.antievictionmap.com/about>

## WHAT IS IT?

A housing data coalition is a group of individuals and organizations who collaborate on their use of public data to further housing justice. These coalitions exist in a variety of cities and can be structured in working groups and monthly meetings to provide opportunities for members to connect, learn, and give mutual support to a variety of projects involving housing data.<sup>1</sup>

A data hackathon is an event that runs for a consecutive period of time (24 hours, multiple days etc.), where people get together and work on data-related projects for practice, prizes, recognition, and networking. A few hackathons have been started specifically in relation to housing data.

## WHAT IS CHARLESTON CURRENTLY DOING:

The city of Charleston's data has an open data portal<sup>2</sup> which is managed by the city's GIS division within the Department of Information Technology. However, as showcased throughout many recommendations in this chapter, there are many data gaps for affordable housing that exist in Charleston. For example, one major area of data that is

currently unknown is projected housing need for the city of Charleston based on projected population change over the next decade. While this data exists at a county level (see page 23), this information is not available at the city level. This type of data could allow the city of Charleston to set a concrete goal for how many affordable and market rate units they would need to build over the next decade based on projected need and could guide policy choices.

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- The city should look to partner with local nonprofits and universities to host events and projects to improve housing data sets
- The city should create an inventory on the various data gaps that exist around housing for potential hackathon programming
- The city should consider hosting data hackathons in partnership with local universities
- The city should pilot these strategies around creating a data set of projected housing need for the next decade for both the 2020 Consolidated Plan/2020 Comprehensive Plan

## LEARNING FROM THE THE ANTI-EVICTION MAPPING PROJECT

The Anti-Eviction Mapping Project is a data-visualization, data analysis, and storytelling collective documenting gentrifying landscapes through **crowd-sourced data**. Primarily working in the San Francisco Bay Area, Los Angeles, and

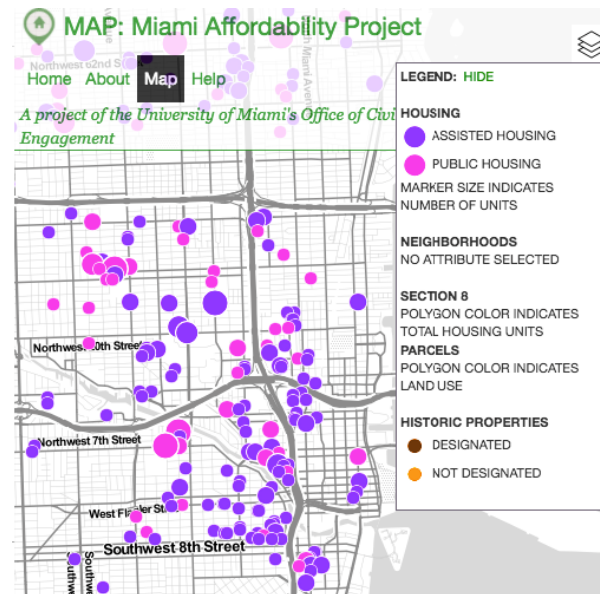
New York City, the collective consists of volunteers producing digital maps, oral history work, film, murals, and events that empower community members contribute information to these maps and tell their story.<sup>3</sup>

## LEARNING FROM MIAMI'S AFFORDABILITY MAP

The Miami Affordability Project (MAP) is a project that began in 2015. The project is an interactive online map centered on the distribution of affordable housing and housing needs in greater Miami.

**The intent is to provide an open-access tool** for planners, developers, community groups, and scholars of urban issues **to better understand local housing needs and encourage data-driven affordable housing planning and analysis.** MAP is led by the University of Miami's Office of Civic and Community Engagement and supported by JPMorgan Chase and the Jesse Ball duPont Fund. The platform features six different datasets—Housing, Neighborhoods, Section 8, Parcels, Historic, and Boundaries—represented as layers that can be turned on or off the

visual display and filtered for analysis.<sup>4</sup>



Still of Miami Affordability Project<sup>5</sup>

## LEARNING FROM HUD'S HOUSING HACKATHONS

In 2015, Zillow and HUD hosted a hackathon in Seattle called "Hack Housing". Participants had access to newly released government data sets on topics like federal housing programs, apartment buildings with accessible apartments, and transit information, and were tasked with proposing ideas to help locate affordable housing. Participants presented 30 solutions including software that calculates the return on investment for landlords interested in offering space to low-income renters and a tool that lets users filter available housing based on specific accessibility requirements.<sup>6</sup> Many

cities such as Cleveland and Boston are using hackathons to help leverage data expertise help fill in jurisdiction data gaps.



One team working at the Hack Housing Hackathon<sup>7</sup>

### TAKEAWAYS:

- Comprehensive data sets become powerful tools when looking to advocate and implement different affordable housing policies
- Through partnerships with the private sector, nonprofits and local universities, cities can close data gaps and improve existing data sets

4 Adapted excerpt from: [http://com-te.ccs.miami.edu/housing/web/assets/Technical\\_Documentation.pdf](http://com-te.ccs.miami.edu/housing/web/assets/Technical_Documentation.pdf)

5 Reference for photo: <https://datasmart.ash.harvard.edu/solutions/miami-affordability-project>

6 Adapted excerpt: [https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_frm\\_asst\\_sec\\_022315.html](https://www.huduser.gov/portal/pdredge/pdr_edge_frm_asst_sec_022315.html)

7 Reference for photo: <https://www.geekwire.com/2015/hacking-housing-market-tech-teams-use-open-data-help-people-find-affordable-homes/>

# TOOL 7: NEIGHBORHOOD TYPOLOGIES DATA FRAMEWORK

<sup>1</sup>  
<https://www.charleston-sc.gov/1824/Affordable-Housing-Inventory>

<sup>2</sup>  
Adapted Excerpt from: [http://housingnola.org/main/neighborhood\\_typologies](http://housingnola.org/main/neighborhood_typologies)

## WHAT IS IT?

Neighborhood typologies are ways for cities to categorize and layer data by neighborhood. While some policies are better recommended in neighborhoods with a certain profile, others are not as well suited. For instance, a neighborhood with mostly single family homes and large lot sizes is better suited to an ADU ordinance than a neighborhood with mostly multifamily units and buildings. Neighborhood typologies allow cities to better organize and frame policy initiatives, and can prove particularly helpful in policy areas such as housing.

## WHAT IS CHARLESTON CURRENTLY DOING:

The city of Charleston has an Affordable Housing Inventory online to centralize

information and certain data points about affordable housing.<sup>1</sup> In the summer of 2018, during the creation of this report, city officials were engaged in a series of workshops to begin to understand how a data framework of neighborhood typologies could be applied to Charleston (see Appendix B and C).

## RECOMMENDED ACTIONS TO IMPLEMENT THE TOOL:

- Building off the workshops in the summer of 2018, the city should launch an initiative and mapping project to create neighborhood typologies for Charleston
- Once this framework is created, the city should use this framework to help inform more localized policy decisions

## LEARNING FROM HOUSING NOLA

In early 2014, Greater New Orleans Housing Alliance(GNOHA) launched HousingNOLA: a community-led housing process that would seek to address the housing needs of New Orleans over a ten year period.

Early in the planning process GNOHA realized a few things: first that New Orleanians understand their city's geography according to neighborhoods. Many of these neighborhoods were (and are) changing rapidly due to shifting demographics, increasing housing costs and vacancy. Locals are familiar with their neighborhoods' unique distinctions – their rich cultural histories, geographic boundaries, and the people that live there. They realized that a single plan could not capture this holistic knowledge

and deep nuance.

Understanding this challenge, **HousingNOLA provided a framework for assessing challenges and recommending policies by neighborhood.** HousingNOLA avoided ranking them by the traditional scale of “weak” to “strong.” Instead, each neighborhood was assigned a precious stone according to their typology: Emerald, Sapphire, Diamond, Ruby, and Topaz. The Neighborhood Typology is designed to be updated annually, using easily accessible data sources so that the GNOHA may track its progress over the 10-year time-frame of HousingNOLA.<sup>2</sup> The following data sources were used to create the HousingNOLA Neighborhood Typology:

- Number of and Change in Building Permits
- Vacancy Rate
- Historic Housing Stock (Housing Units Built Before 1939)
- Contract Rent and Change in Rent
- Price Per Square Foot and Change in Price Per Square Foot for Homes Sold
- Median Household Income and Change in Median Household Income
- Mix of Rental and Homeowner Households
- Proximity to Historic Neighborhoods, (Ruby and Topaz Neighborhoods)

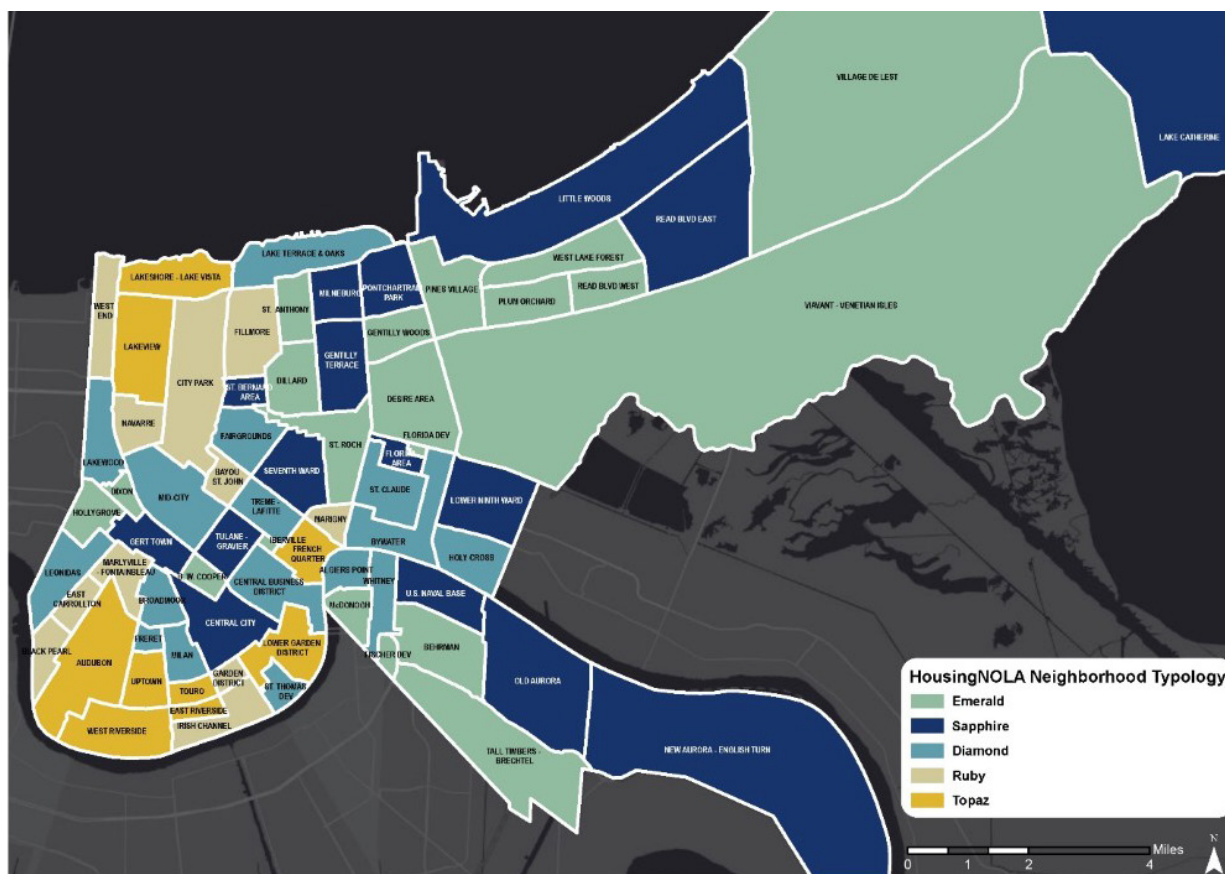
Typology is intended as a tool to meet neighborhoods where they are and assess strategies based on current conditions. For instance, Emerald neighborhoods are experiencing higher rates of vacancy and there is limited housing market activity, while Diamond neighborhoods are experiencing drastic increases in household income, home prices and rents.

This Neighborhood Index serves as a valuable tool for tracking neighborhood change and assisting with housing policy and funding choices by grouping neighborhoods with similar conditions<sup>3</sup>

3  
Adapted excerpt: [http://housingnola.org/main/neighborhood\\_typologies](http://housingnola.org/main/neighborhood_typologies)

4  
Reference for photo: [http://housingnola.org/main/neighborhood\\_typologies](http://housingnola.org/main/neighborhood_typologies)

## The HousingNOLA Neighborhood



Housing NOLA Neighborhood Typologies<sup>4</sup>

## TAKEAWAYS:

- By grouping neighborhoods that are experiencing similar conditions, neighborhood typologies can serve as useful tools to assist policy makers with making decisions and policy recommendations



# CAPACITY BUILDING TOOLS

## CHECKLIST OF ACTION ITEMS

### TOOL 1: OFFICE OF STRATEGIC INITIATIVES

- ☐ The city should look into creating an office of strategic initiatives or hiring a Chief of Strategic Initiatives focused on the mayors primary goals (e.g. flooding, mobility, housing)

### TOOL 2: CITY REALTOR AND LAND ACQUISITION TASK FORCE

- ☐ The city should use active contract management tools to monitor the contract with the city realtor
- ☐ In addition to the city realtor, the city should form a comprehensive strategy for land acquisition for the next few years, considering the following:
  - How will the city approach properties reaching the end of their LIHTC term period and are at risk to being converted to market rate housing?
  - What are strategic parcels that the city can acquire for the CLT?
- ☐ In order to create this land acquisition strategy, the city should create a short term task force (maximum 1 year period) with local private and non-profit sector developer experts to advise on potential parcels for acquisition - this could potentially be combined with the work on how to best leverage tax credits (see page 80)
- ☐ The city should create a map/dashboard of HCD properties currently in their portfolio to help aid the land acquisition strategy

### TOOL 3: HOUSING PARTNERSHIP NETWORK

- ☐ The city should consider creating an open meeting space, inviting all local affordable housing practitioners to convene regularly
- ☐ The goals of these meetings should not only be to leverage expertise and brainstorm new policies for the city, but also to have a network for collaboration on various affordable housing projects on the pipeline

**TOOL 4:  
EMPLOYER  
ASSISTED  
HOUSING**

- ☐ The city should look into creating financial incentives for private-sector employers in Charleston to increase participation in their EAH program (e.g. matching contributions)
- ☐ The city should evaluate different ways to support private-sector employers to create their own EAH program, such as providing administrative assistance in designing or managing the program

**TOOL 5:  
AFFORDABLE  
HOUSING  
PRESERVATION  
DASHBOARD**

- ☐ The city should create a dashboard or database locating where NOAH units are in Charleston and add this information to the KPI Affordable Housing Inventory Dashboard
- ☐ The city should create a committee of public officials across different departments for reviewing and creating an action plan for how to preserve NOAH units throughout the city
- ☐ Once NOAH properties have been identified, the city should consider how to use this information to advocate for certain tools (e.g. a Stay Put Fund as outlined on page 86)

**TOOL 6:  
HOUSING DATA  
COALITION AND  
DATA  
HACKATHONS**

- ☐ The city should look to partner with local nonprofits and universities to host events and projects to improve housing data sets
- ☐ The city should create an inventory on the various data gaps that exist around housing for potential hackathon programming
- ☐ The city should consider hosting data hackathons in partnership with local universities
- ☐ The city should pilot these strategies around creating a data set of projected housing need for the next decade for both the 2020 Consolidated Plan/2020 Comprehensive Plan

**TOOL 7:  
NEIGHBORHOOD  
TYPOLOGIES  
DATA  
FRAMEWORK**

- ☐ Building off the workshops in the summer of 2018, the city should launch an initiative and mapping project to create neighborhood typologies for Charleston
- ☐ Once this framework is created, the city should use this framework to help inform more localized policy decisions



Chapter Four

# IMPLEMENTATION PLAN



# IMPLEMENTATION PLAN OVERVIEW

In the previous chapter, thirty-five strategies were explored in an effort to create a toolkit to address Charleston's affordable housing crisis. This chapter looks to provide a road map forward for each strategy in order to either implement the tool for the first time or to strengthen the tool's utilization in Charleston.

Each recommended action item is given a responsible executing entity as well as entities that should be consulted for input and feedback during implementation (see next page for a glossary of all the acronyms used when referring to different departments and organizations). A funding source if applicable is provided for each strategy as well as the scale of the strategy (local, regional, national). A time frame is also allocated (immediate, mid-term, long-term) for each strategy, with immediate action items to be implemented within one-two years, mid-term items to be implemented within two-four years, and long-term items to be implemented within five years. Lastly, some recommended action items have been flagged for inclusion in the next

iteration of the Comprehensive Plan for the city.

The advancement of the implementation of these action items should be monitored, tracked, and reviewed regularly (approximately once a quarter). Annual report outs on the status of the implementation of this action plan should be created in order to communicate to the Charleston community the progress the city is making in their efforts to address the affordable housing crisis.

This plan should not be seen as a static document, but rather a flexible resource that should evolve and change as different contextual factors shift. No single strategy in this plan should be seen as a silver bullet to addressing the complex challenges embedded in Charleston's affordable housing crisis. By utilizing the tools collectively, this plan is aimed to build momentum for increasing and preserving Charleston's affordable housing stock and creating a more fair and equitable Charleston.



## **GLOSSARY OF ACRONYMS/SHORTHAND USED IN THE IMPLEMENTATION MATRIX:**

**BCDCOG** -Berkeley Charleston Dorchester Council of Governments

**BFRC** - The Department of Budget, Finance and Revenue Collections

**BNS** - The Department of Business & Neighborhood Services

**CAJM** - Charleston Area Justice Ministry

**CCDC** - Charleston Civic Design Center

**CCSCT** - Chaleston Cross Sector Collaboration Team (Bloomberg Harvard Initiative)

**CHA** - Charleston Housing Authority

**Chamber** - Charleston Metro Chamber of Commerce

**CHPP** - Center for Heir's Property Preservation

**CPBLS** - Charleston Pro Bono Legal Services

**CRC** - Charleston Redevelopment Corporation

**CTUL** - Charleston Trident Urban League

**GIS** - The Department of Geographical Information System

**GSJ** - Geona Shaw Johnson (Director of HCD)

**HCD** - The Department of Housing and Community Development

**HCF** - Historic Charleston Foundation

**Legal** - The office of the Corporation Counsel

**Livability** - Department of Livability and Tourism

**PIO** - Public Information Office

**PP&S** - Department of Planning, Preservation & Sustainability

**T&T**- Department of Traffic and Transportation

**TRC** - The Technical Review Committee

NUMBER	ACTION DESCRIPTION	
<b>TOOL 1: ZONING INCENTIVES</b>		
1.1.1	The city should look at revising zoning standards to allow for infill development for new affordable single-family housing (i.e. more flexible building setbacks and more flexible subdivision standards)	
1.1.2	The city should increase zoning incentives for workforce housing (e.g. density bonuses, parking requirement reductions, automatic up-zoning near transit sites)	
1.1.3	The city should expand zoning incentives to more districts in the city	
1.1.4	The city should consider creating a tiered system depending on development types	
<b>TOOL 2: EXPEDITED PROCESSING, FEE WAIVERS, PARKING REDUCTIONS</b>		
1.2.1	The city should expand Fee Waivers for market rate projects that include a portion of affordable housing	
1.2.2	The city should hire and/or train a current staff member to be an “affordable housing concierge” who would personally oversee the approval of affordable projects in the planning department and would check submission before review	
1.2.3	The city should create affordable materials standards	
1.2.4	The city should create an accelerated design review, with a specific affordable housing review committee and fast track appeals to the Mayor	
<b>TOOL 3: INCLUSIONARY ZONING</b>		
1.3.1	The city should continue to advocate at the state level for state enabling legislation in order to pursue a mandatory inclusionary zoning ordinance	
1.3.2	The city should educate residents and improve advocacy around passing state enabling legislation	
1.3.3	In the absence of state enabling legislation, the city should work with elected officials to see how to use the Priority Investment Act to achieve similar results of a mandatory inclusionary zoning ordinance	
<b>TOOL 4: ADU (ACCESSORY DWELLING UNIT) + TINY HOMES</b>		
1.4.1	The city should revise and edit the proposed ADU ordinance in Charleston from 2006 to reflect the current affordability crisis	
1.4.2	The city should research programs that can ensure long term affordability of ADUs	
1.4.3	The city should create a data set/dashboard that allows the city to pinpoint ADU priority areas	
1.4.4	The city should create education programs and toolkits to help residents build ADUs on their property and should consider an incentive or grant program to encourage ADU development	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	PP&S	Housing Development Community	General Fund	Local	Immediate	X
	PP&S	Housing Development Community	General Fund	Local	Mid-term	X
	PP&S	Housing Development Community	General Fund	Local	Mid-term	X
	PP&S	Housing Development Community	General Fund	Local	Mid-term	X
	PP&S	Housing Development Community	General Fund	Local	Immediate	
	HCD/ PP&S	Housing Development Community, TRC	General Fund	Local	Immediate	
	Clemson Intern / PP&S	Housing Development Community, BAR	N/A	Local/ Non-profit partner	Immediate	
	PP&S	Housing Development Community, Mayor's Office, TRC	General Fund	Local	Immediate	
	HCD/GSJ	State Representatives who have demonstrated support for progressive housing legislation (e.g. Marlon Kimpson)	General Fund	State/Local	Mid-term	
	HCD/PP&S	PIO; CCDC	General Fund	State/Local	Mid-term	
	HCD	Legal	General Fund/Federal	Local	Mid-term	
	PP&S		General Fund	Local	Immediate	
	PP&S		General Fund	Local	Immediate	
	PP&S	GIS	General Fund	Local	Immediate	X
	PP&S/HCD/ CCDC	Charleston Residents	General Fund	Local	Long term	X



NUMBER	ACTION DESCRIPTION	
<b>TOOL 5: STR (SHORT TERM RENTAL) ZONING PROVISIONS</b>		
1.5.1	The city should look into how STR can cross-subsidize the development of affordable units and consider this in future overlay amendments	
1.5.2	The city should look into the feasibility of an earmarked tax on STRs like Airbnb and VRBO to go towards an affordable housing fund	
1.5.3	The city should consider pooling the fines for illegal STR's for affordable housing	
<b>TOOL 6: RAD (RENTAL ASSISTANCE DEMONSTRATION)</b>		
1.6.1	The city and CHA should anticipate any changes that RAD will bring to the agency and staff infrastructure of the housing authority	
1.6.2	The city and CHA should work to create a Strategic Vision Plan for the RAD prioritized sites. This plan should ensure that redevelopment could increase density and housing stock to align with larger affordability goals.	
1.6.3	The city and CHA should incorporate mitigation recommendations from the Dutch Dialogues Charleston plan to future RFP/RFQ's for RAD	
1.6.4	The city and CHA should consider the various approaches for redevelopment procurement and what makes most sense for Charleston's portfolio	
1.6.5	The city and CHA should create an outreach strategy for managing residents' concerns and reach out to other housing authorities around strategies	
<b>TOOL 7: CITY LAND BANKING</b>		
1.7.1	The city should create an inventory of all vacant or abandoned parcels, properties with delinquent taxes and parcels with title problems to assess if establishing a land bank would be needed or successful	
1.7.2	The city should work with the county to also create an inventory of vacant or abandoned parcels at the county level since this tool may work best at a regional scale	
1.7.3	The city must have county enabling legislation in order to pursue a land bank (state statute allows land banking under the Conservation Bank Act); Charleston should work with the county to advocate for legislation	
1.7.4	The city should look into the feasibility of creating a land bank within existing entities such as the Charleston Redevelopment Corporation	
<b>TOOL 8: CLT (COMMUNITY LAND TRUST)</b>		
1.8.1	The city should support the newly developed CLT by helping them locate a signature project in Charleston	
1.8.2	The city should create a dashboard of projects that could be acquired by the land trust	
1.8.3	The city should consider how to create partnerships with organizations like CHHP (Center for Heir's Property Preservation) to build in conservation easements into the land trust for heir's property, and help assist the organization	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	PP&S / Livability	Housing Development Community	General Fund	Local	Mid-term	
	Livability/BFRC		General Fund	Local	Mid-term	
	Livability/BFRC	County	General Fund	Local/Regional	Long-term	
	CHA	Other Housing Authorities who have undergone RAD	Local/Federal	Local/Federal	Immediate	
	CHA/CCDC	CHA Residents	Local/Federal	Local/Federal	Immediate	X
	CHA/PP&S	CCDC	Local/Federal	Local/Federal	Immediate	X
	CHA	CCSCT; Other City Housing Authorities who have undergone RAD	Local/Federal	Local/Federal	Immediate	
	CHA	CCDC/ CHA Residents	Local/Federal	Local/Federal	Long-term	
	PP&S/Livability/HCD	Charleston Residents	General Fund	Local	Mid-term	X
	CRC/HCD/County	PP&S	General/Federal/Private	Local/Regional	Mid-term	
	CRC/HCD/County	Legal	General/Federal/Private	Local/Regional	Mid-term	
	CRC/HCD/County	Legal	General/Federal/Private	Local/Regional	Mid-term	
	HCD/CRC		General Fund/Federal	Local	Immediate	
	PP&S/HCD	GIS	General Fund	Local	Mid-term	
	CHPP/CRC	PP&S, HCD, HCF	Private	Local/Regional/State	Mid-term	

NUMBER	ACTION DESCRIPTION	
<b>TOOL 9: HISTORIC PRESERVATION DISTRICTS</b>		
1.9.1	The city should create a dashboard showing which neighborhoods in Charleston are at high risk for experiencing gentrification	
1.9.2	The city should consider creating new historic districts for neighborhoods that are at risk for gentrification	
<b>TOOL 10: TOD (TRANSIT ORIENTED DEVELOPMENT)</b>		
1.10.1	The city should evaluate the BRT nodes falling within the city to determine the creation of TOD affordable housing preemptive policies	
1.10.2	The city should create a specific set of policies for areas near a new BRT station and other new transit nodes to incentivize workforce housing	
<b>TOOL 1: AFFORDABLE HOUSING TRUST FUND</b>		
2.1.1	The city should develop a curriculum of education/advocacy around the success of the Housing Trust Fund model	
2.1.2	The city should continue to bring a key group of stakeholders together to create a housing trust fund proposal that defines the three key elements of the housing trust fund proposal, and bring this proposal forward for city council approval	
<b>TOOL 2: AFFORDABLE HOUSING BONDS</b>		
2.2.1	The city should create an evaluation of the 2017 G.O. Bond in Charleston identifying areas of success and areas of improvement for future iterations of bond referendums. Specifically, the city should evaluate certain legal barriers and funding sources for future iterations.	
2.2.2	The city should develop an education/communication strategy to promote the impact of the 2017 G.O. bond	
2.2.3	The city should work with grassroots organizers around voter engagement strategies for future referendums	
<b>TOOL 3: LEVYING A PENNY TAX</b>		
2.3.1	The city should continue to work with the county and the county's affordable housing task force to advocate for levying a property tax increase, and should also use this partnership to look into the feasibility of that tax revenue acting as a consistent funding stream for a regional affordable housing trust fund	
2.3.2	The city should look into the feasibility of earmarking or proposing a "penny for housing" system within current tax structures	
<b>TOOL 4: FEE IN LIEU &amp; IMPACT FEES</b>		
2.4.1	The city should create a report to analyze the data of the first couple years of the in-lieu fee	
2.4.2	The city should undergo an evaluation of the first couple years of the in-lieu fee to ensure that the outcomes of the legislation align with the goals of the city, and consider re-evaluating the fee structure based on this analysis	
2.4.3	The city should track and evaluate the success of the new hotel ordinance	
2.4.4	The city should look to other options for impact fees for affordable housing	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	PP&S	Charleston Residents	General Fund	Local	Mid-term	X
	PP&S	Charleston Residents	General Fund	Local	Mid-term	X
	BCDCOG/PP&S/HCD	CCDC, T&T	General Fund	Local/Regional	Mid-term	X
	BCDCOG/PP&S/HCD	T&T	General Fund	Local/Regional	Mid-term	
	City/County	CAJM	General/Federal	Local/Regional	Immediate	
	City/County	Housing Development Community, CAJM	General/Federal	Local/Regional	Immediate	
	County/City/Chamber/Alliance	Housing Development Community, Legal	General/Federal	Local/Regional	Mid-term	
	County/City/Chamber/Alliance	PIO, CCDC	General/Federal	Local/Regional	Mid-term	
	County/City/Chamber/Alliance	Local Housing Advocates	General/Federal	Local/Regional	Long-term	
	County/HCD	BRFC	General Fund	Local/Regional	Mid-term	
	County/HCD	BRFC	General Fund	Local/Regional	Long-term	
	HCD/PP&S		General/Federal	Local	Mid-term	X
	HCD/PP&S	Housing Development Community	General/Federal	Local	Mid-term	
	PP&S	BRFC	General	Local	Mid-term	X
	HCD/PP&S	Housing Development Community	General	Local	Mid-term	



NUMBER	ACTION DESCRIPTION	
<b>TOOL 5: TIF (TAX INCREMENT FINANCE)</b>		
2.5.1	The city should monitor and report out the impact of the current TIF districts on affordable housing development and explore potential expansion of the program	
2.5.2	The city should look into the creation of specific “housing districts” for TIF funds in order to link TIF funds with affordable housing development	
<b>TOOL 6: TAX CREDITS</b>		
2.6.1	The city should promote the utilization of urban set aside funds by developers from the State Housing Authority	
2.6.2	The city should work with the development community to create an inventory of which properties, areas, and parcels are best poised for obtaining various state and federal tax credit programs	
2.6.3	The city, with community stakeholders, should advocate for state waivers for the LIHTC caps in urban areas	
<b>TOOL 7: TAX ABATEMENTS &amp; THE BAILEY BILL</b>		
2.7.1	The city should look into the feasibility of implementing tax abatements in coordination with determining the feasibility of the Bailey Bill	
2.7.2	The city should reconvene the internal task force to work with the county to draft and adopt an ordinance for the Bailey Bill that defines parameters that make the most sense for Charleston and should work with neighboring cities (Columbia/Beaufort) to get advice on the process	
2.7.3	The city should work to draft and adopt an ordinance that, at a minimum, defines: What historic structures qualify for the special assessment, how much money needs to be invested to qualify, what is a qualified rehabilitation expenditure, who certifies compliance of the rehabilitation project, and how long the special assessment will be offered?	
<b>TOOL 8: OPPORTUNITY ZONES</b>		
2.8.1	The city should annually track and monitor the progress of the new Opportunity Zones ordinance and the impacts for economic development and affordable housing production	
2.8.2	After gathering data into the participation and program utilization, the city should consider additional amendments to the ordinance in the future	
<b>TOOL 9: HUD PROGRAMS</b>		
2.9.1	City leaders should continue to collaborate across departments to determine how HUD programs can be leveraged for larger city goals and initiatives	
2.9.2	The city should consider implementing a participatory budget model to allocate certain flexible HUD funds, such as CDBG funding, to empower residents and housing stakeholders to have a voice in development projects in their communities	
2.9.3	The city should evaluate the most recent Choice neighborhood application for West Ashley Orleans Wood and prepare a new choice neighborhoods grant application for future cycles	
2.9.4	The city should research different HUD programs available and see if there are any additional programs or funding streams that apply to the Charleston context	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	PP&S	BRFC, Housing Development Community	General Fund	Local	Mid-term	X
	HCD/PP&S	BRFC, Housing Development Community	General Fund	Local	Mid-term	X
	HCP/PP&S		General Fund	Local/State/Federal	Immediate	
	HCP/PP&S	Housing Development Community	General Fund	Local/State/Federal	Immediate	
	HCP/PP&S	State Representatives, Housing advocates	General Fund	Local/State/Federal	Mid-term	
	HCD/BNS/Legal/BFRC	Charleston County, representatives from Columbia	General Fund	Local/Regional	Mid-term	
	HCD/BNS/Legal/BFRC	Charleston County, representatives from Columbia	General/County	Local/Regional	Mid-term	
	HCD/BNS/Legal/BFRC	Charleston County, representatives from Columbia	General/County	Local/Regional	Mid-term	
	PP&S/HCD	Local CDFIs, Housing Development Community, Chamber of Commerce	General Fund	Local/Federal	Mid-term	
	PP&S/HCD	Local CDFIs, Housing Development Community, Chamber of Commerce	General Fund	Local/Federal	Mid-term	
	HCD/Other City Dept.'s	City Grant Writing team	General/Federal	Local/Federal	Immediate	
	HCD/Other City Dept.'s	PP&S	General/Federal	Local	Mid-term	
	HCD/Other City Dept.'s	City Grant Writing team, PP&S	General/Federal	Local/Federal	Mid-term	
	HCD/Other City Dept.'s	CHA	General/Federal	Local/Federal	Mid-term	

NUMBER	ACTION DESCRIPTION	
<b>TOOL 10: PHILANTHROPIC FUNDING</b>		
2.10.1	The city should look into platforms for mobilizing capacity within the local philanthropic community (marketing campaigns, events, targeted outreach) and leveraging local philanthropy for partnerships on city projects	
2.10.2	The city should consider how large national foundations could be potential partners in the affordable housing work in Charleston	
2.10.3	The city should research grant opportunities for increasing their capacity around affordable housing projects recommended in this document (e.g. the creation of different data dashboards)	
2.10.4	The city should evaluate recreating the Staying Put Fund, with a coalition of local philanthropies	
<b>TOOL 1: HOUSING EDUCATION + COUNSELING PROGRAMS</b>		
3.1.1	The city should create more localized classes, bringing workshops straight to different neighborhoods	
3.1.2	The city should create a survey to see which types of classes/seminars would best serve the Charleston community	
3.1.3	The city should create engaging housing education programs, such as games, that can help the community understand the current affordable housing crisis	
<b>TOOL 2: EVICTION MITIGATION SERVICES</b>		
3.2.1	The city should partner with local organizations to create localized services for communities that are most in need of eviction mitigation services	
3.2.2	The city should look into creating right-to-counsel legislation	
3.2.3	The city should create a dashboard of evictions to better understand where residents are most vulnerable to eviction	
<b>TOOL 3: PARTICIPATORY PUBLIC ART PROJECTS</b>		
3.3.1	The city should create formal partnerships or a specialized grant program for participatory art projects in the public realm	
3.3.2	The city should explore how participatory art projects can spatialize and make data around affordable housing more accessible and how they can also demystify certain myths around affordable housing	
<b>TOOL 4: BLOCK PARTIES</b>		
3.4.1	The city should look into creating block parties for affordable housing education and advocacy in different neighborhoods in the city	
<b>TOOL 5: PARTICIPATORY MAPPING</b>		
3.5.1	The city should evaluate how participatory mapping could be useful to collect information for affordable housing policies, especially information that is currently missing from the data sets present in the city	
3.5.2	Once the city has identified information or data gaps that could benefit from participatory mapping, the city should pilot a few programs using participatory mapping for the purposes of gathering information around affordable housing	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	HCD/ City Grantwriting Team	Local foundations and nonprofit community	Private	Local	Immediate	
	HCD/City Grantwriting Team	National foundations and nonprofit community	Private	Local/National	Immediate	
	HCD/City Grantwriting Team	Local/National foundations and nonprofit community	Private	Local/National	Immediate	
	HCD/ PP&S	Local foundations and nonprofit community	Private	Local	Long-term	
	HCD/CTUL	Charleston Residents, SCCLF	General/ Federal	Local	Immediate	
	HCD/CTUL	Charleston Residents	General/ Federal	Local	Mid-term	
	HCD/CTUL	Charleston Residents, CCDC	General/ Federal	Local	Long-term	
	HCD, CPBLS	CTUL	General/ Federal	Local/Regional	Mid-term	
	HCD, Legal	Local Housing Advocates	General	Local/Regional	Mid-term	
	PP&S, County	Local Housing Advocates	General	Local/Regional	Long-term	
	Parks Dept./ Cultural Affairs	Local arts community stakeholders	General Fund	Local	Long-term	
	Parks Dept./ Cultural Affairs	HCD, PP&S, Local Arts community stakeholders	General Fund	Local	Long-term	
	BNS/ Cul- tural Affairs/ Enough Pie	Chamber, Local housing development community, PP&S, CCDC	General/ Private	Local	Long-term	
	HCD/GIS/ PP&S/CCDC	Charleston Residents	General Fund	Local	Immediate	X
	HCD/GIS/ PP&S/CCDC	Charleston Residents	General Fund	Local	Mid-term	X



NUMBER	ACTION DESCRIPTION	
<b>TOOL 6: SOCIAL MEDIA CAMPAIGNS</b>		
3.6.1	The city should survey which social media platforms are most popular amongst Charleston residents	
3.6.2	The city should consider different ways to use social media to promote, educate and advocate for new affordable housing policies/initiatives	
3.6.3	The city should consider strategies to use social media to demystify certain myths about those needing affordable housing in the city	
<b>TOOL 7: STORYTELLING</b>		
3.7.1	The city should look into partnering with performing arts festivals, like Spoleto, to host storytelling events specifically around housing	
3.7.2	The city should consider plugging into local storytelling events, such as “Truth is”, with themed nights around housing.	
3.7.3	The city should brainstorm ways that storytelling could establish empathy amongst residents, especially when addressing NIMBY-ism	
3.7.4	The city should consider creating partnerships between storytelling efforts and local podcast efforts to create a podcast series around people’s experience with affordable housing in Charleston	
<b>TOOL 8: DINNER PARTIES</b>		
3.8.1	The city should consider partnering with local restaurants to have dinner parties throughout the city to talk about different topics related to affordable housing such as gentrification, segregation, and the affordability crisis	
<b>TOOL 1: OFFICE OF STRATEGIC INITIATIVES</b>		
4.1.1	The city should look into creating an office of strategic initiatives or hiring a Chief of Strategic Initiatives focused on the mayors primary goals (e.g. flooding, mobility, housing)	
<b>TOOL 2: CITY REALTOR AND LAND ACQUISITION TASK FORCE</b>		
4.2.1	The city should use active contract management tools to monitor the contract with the city realtor	
4.2.2	The city should create a map/dashboard of HCD properties currently in their portfolio to help aid the land acquisition strategy	
4.2.3	In addition to the city realtor, the city should form a comprehensive strategy for land acquisition for the next few years, considering: <ul style="list-style-type: none"> <li>• How will the city approach properties reaching the end of their LIHTC term period and are at risk to being converted to market rate housing?</li> <li>• What are strategic parcels that the city can acquire for the CLT?</li> </ul>	
4.2.4	In order to create this land acquisition strategy, the city should create a short term task force (maximum 1 year period) with local private and non-profit sector developer experts to advise on potential parcels for acquisition – this could potentially be combined with the work on how to best leverage tax credits	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	HCD/PIO	Charleston Residents	General/Federal	Local	Immediate	
	HCD/PIO	Charleston Residents	General/Federal	Local	Immediate	
	HCD/PIO	Charleston Residents	General Fund	Local	Immediate	
	Cultural Affairs/HCD	Local arts community stakeholders	General/Private	Local	Mid-term	
	Cultural Affairs/HCD	Local arts community stakeholders	General/Private	Local	Long-term	
	Cultural Affairs/HCD	Local arts community stakeholders	General/Private	Local	Long-term	
	Cultural Affairs/HCD	Local arts community stakeholders	General/Private	Local	Long-term	
	BNS/HCD	Local restaurants/chefs	General/Private	Local	Mid-term	
	CIO	Mayor's Office	General Fund	Local	Immediate	
	HCD	CCSCT	General Fund	Local	Immediate	
	HCD/PP&S		General Fund	Local	Immediate	
	HCD	PP&S, Housing Development Community	General Fund	Local	Mid-term	
	HCD/City Realtor	Housing Development Community	General Fund	Local/Federal	Mid-term	

NUMBER	ACTION DESCRIPTION	
<b>TOOL 3: LOCAL HOUSING COALITION/NETWORK</b>		
4.3.1	The city should consider creating an open meeting space, inviting all local affordable housing practitioners to convene regularly	
4.3.2	The goals of these meetings should not only be to leverage expertise and brainstorm new policies for the city, but also to have a network for collaboration on various affordable housing projects on the pipeline	
<b>TOOL 4: EMPLOYER ASSISTED HOUSING PROGRAMS</b>		
4.4.1	The city should look into creating financial incentives for private-sector employers in Charleston to increase participation in their EAH program (e.g. matching contributions)	
4.4.2	The city should evaluate different ways to support private-sector employers to create their own EAH program, such as providing administrative assistance in designing or managing the program	
<b>TOOL 5: AFFORDABLE HOUSING PRESERVATION NETWORK</b>		
4.5.1	The city should create a dashboard or database locating where NOAH units are in Charleston and add this information to the KPI Affordable Housing Inventory Dashboard	
4.5.2	The city should create a committee of public officials across different departments for reviewing and creating an action plan for how to preserve NOAH units throughout the city	
4.5.3	Once NOAH properties have been identified, the city should consider how to use this information to advocate for certain tools	
<b>TOOL 6: HOUSING DATA COALITION AND DATA HACKATHONS</b>		
4.6.1	The city should look to partner with local nonprofits and universities to host events and projects to improve housing data sets	
4.6.2	The city should create an inventory on the various data gaps that exist around housing for potential hackathon programming	
4.6.3	The city should pilot these strategies around creating a data set of projected housing need for the next decade for both the 2020 Consolidated Plan/2020 Comprehensive Plan	
4.6.4	The city should consider hosting data hackathons in partnership with local universities	
<b>TOOL 7: NEIGHBORHOOD TYPOLOGIES DATA FRAMEWORK</b>		
4.7.1	Building off the workshops in the summer of 2018, the city should launch an initiative and mapping project to create neighborhood typologies for Charleston	
4.7.2	Once this framework is created, the city should use this framework to help inform more localized policy decisions	

	EXECUTING ENTITY	ENTITY/ORG. NEEDED FOR INPUT	FUNDING SOURCE	PARTNERSHIP SCALE	TIME FRAME	INCLUDE IN COMP. PLAN
	HCD	Housing Development Community	General/Private	Local	Mid-term	
	HCD	Housing Development Community	N/A	Local	Mid-term	
	HCD/BNS/Chamber	Local businesses	General/Private	Local	Mid-term	
	HCD/BNS/Chamber	Local businesses	General/Private	Local	Mid-term	
	PP&S	Housing Development Community, HCF	General Fund	Local	Immediate	X
	PP&S/HCD	HCF	General Fund	Local	Immediate	X
	PP&S/HCD	HCF	General Fund	Local	Immediate	X
	PP&S	Local universities	General/Private	Local	Immediate	
	PP&S/HCD	Chamber of Commerce	General Fund	Local	Immediate	
	PP&S/HCD		General Fund	Local	Immediate	X
	GIS/PP&S	Local universities	General/Private	Local	Long term	
	PP&S		General Fund	Local	Long term	X
	PP&S/HCD	GIS	General Fund	Local	Long term	X





Chapter Five

# APPENDICES

# APPENDIX A: STAKEHOLDER INPUT SESSION

In the Summer of 2018, a convening of major housing stakeholders was held to get feedback on the first draft of Charleston's affordable housing toolkit. The twenty-five participants included city officials, housing non-profit organizations, for profit housing developers, and non-profit housing developers. The goal of the input session was to bring key stakeholders in the private and public sector around the table to have pointed conversations around the proposed toolkit from H4FC and address the feasibility of proposed recommendations.

During the convening, after a quick orientation to the toolkit, participants were asked to rank their top priorities for the four different categories of the toolkit. The hope from this exercise was to get a chance to see which tools the stakeholder community viewed as having the most impact if implemented first. After this exercise, a dialogue and conversation occurred around the table as to why participants ranked certain tools as highest priority.

The results from this exercise created a small pool of data, where participants ranked

the following tools the highest:

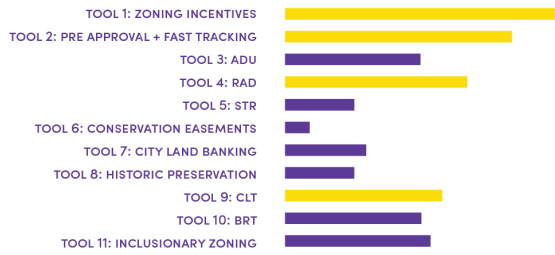
- Zoning Tools: Zoning Incentives, and Pre-approval+Fast Tracking
- Funding Tools: an Affordable Housing Trust Fund, LIHTC, and Affordable Housing Bond Referendum
- Education/Empathy Tools: Storytelling tools and Voter Engagement Strategies
- Capacity Building Tools: Office for Strategic Initiatives and an Affordable Housing

While this was just one convening of the major housing stakeholders in Charleston, this exercise demonstrated a process and a model for creating consensus around the high priority program and policy areas, and establishing a space and platform for community stakeholders to have input into which policies/programs are the highest priority for the city's agenda. While city officials often know what are the most politically feasible tools to implement, it is important to be in dialogue with the development community to ensure that the policy/program initiatives that the city prioritizes will be impactful for their work developing affordable housing.

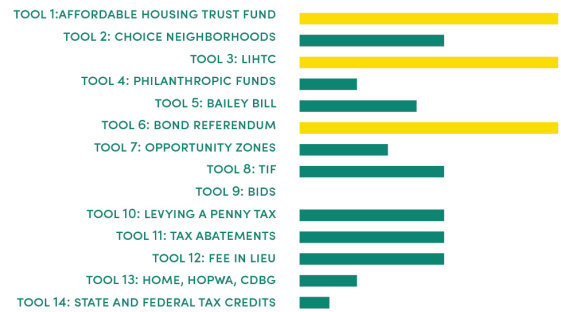


Image of one table from the Charleston Toolkit Stakeholder Input Session

## ZONING/POLICY TOOLS



## FUNDING TOOLS



## EDUCATION/ EMPATHY BUILDING TOOLS



## CAPACITY BUILDING TOOLS



Results from all the worksheets collected from the Stakeholder Input sessions demonstrating the participants top priorities (yellow being the highest ranked tools)

**WHAT ARE YOUR TOP PRIORITIES FOR EACH SET OF TOOLS?**  
(RANK YOUR TOP PRIORITIES IN THE BOXES BELOW)

ZONING/POLICY TOOLS		FUNDING TOOLS	
ADU	BRT / Top Overlay	Philanthropic Funds	Affordable Housing Trust Fund
Pre Approval Fast Tracking	RAD	Choice Neighborhoods	Tax Abatements
EDUCATION/ EMPATHY BUILDING TOOLS		CAPACITY BUILDING TOOLS	
Creative Placemaking Community Anti-Density	Block Parties to Raise Awareness	Office of Strategic Initiatives	Housing Data Collection



Example worksheets demonstrating how participants would prioritize the tools

# APPENDIX B: NEIGHBORHOOD TYPOLOGY WORKSHOP

In the Summer of 2018, a convening of different city leaders was held to help get input into the first draft of the neighborhood typologies project (See page 126). The workshop spanned a two day period, with different sessions geared around different topics.

The fifteen participants included city officials from the Housing Department, Planning Department, Transportation Department, Business and Neighborhood Services, and the Charleston School District.

The goal of the first day of sessions was mostly geared towards gathering qualitative information from the experiential expertise of public officials working in different neighborhoods in Charleston. The hope was to get a better understanding of the current levels of receptiveness to affordable housing in different neighborhoods in Charleston. Going through different regions of Charleston, city officials were asked to define different fears that they had encountered and top priorities of each region. Questions such as the following were explored:

1. In your experience, for different neighborhoods throughout the city, what is the most common reason a resident would be resistant to new development?
2. Looking at different regions of the city (Downtown, The Islands, West Ashley, Daniel Island) what are the issues that different neighborhoods feel most passionately about either in supporting or working to counter?
3. Who are the key neighborhood stakeholders you have worked with in different neighborhoods who have been particularly helpful in advocating for a cause?

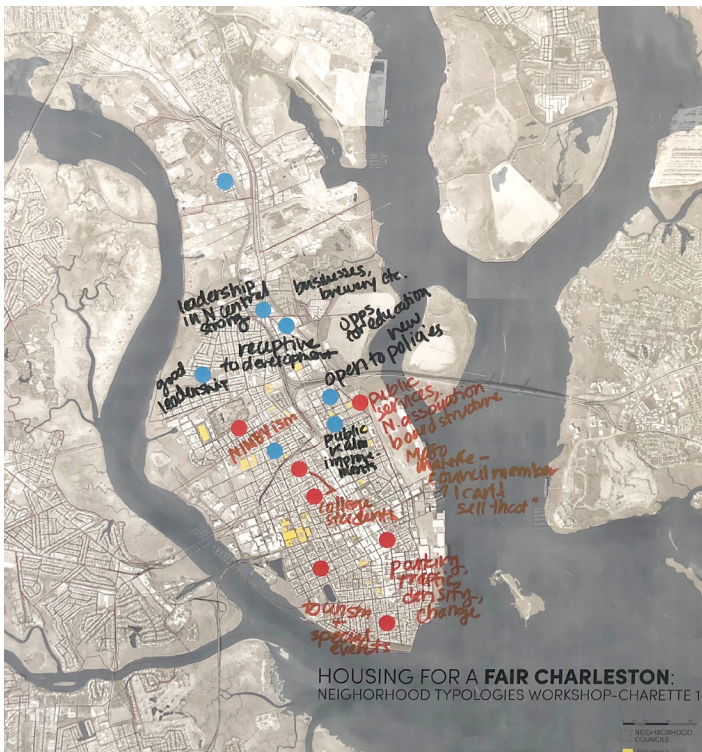
Participants were asked to share their responses and add their comments to a map to collect the information described.

The results of this exercise was a draft of a potential future mapping project, to better understand different neighborhood's receptiveness to change. This type of tool could be especially useful when considering where and which neighborhoods it would be particularly useful to deploy certain tools explored in the Education/Empathy toolkit.

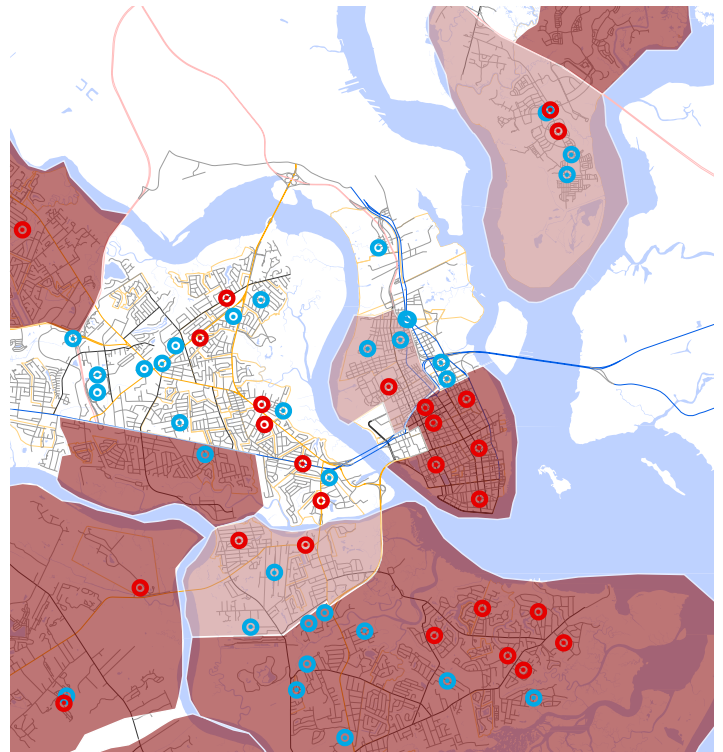


Image of one session of the Neighborhood Typology Workshop





Example marked up map from one of the workshop sessions



Draft of a "Receptiveness to Change" Index Map



Image of one session of the Neighborhood Typology Workshop



# APPENDIX C: NEIGHBORHOOD TYPOLOGY FRAMEWORK DRAFT

On the second day of the Neighborhood Typology workshop, a team of five members from the Charleston Civic Design Center and the Planning Department worked collectively to come up with a draft of how to create a qualitative framework for the neighborhood typology project (see page 126).

After the conversation and input gathered on the first day of the workshop, participants determined the top metrics and indicators that should be used when determining neighborhood typologies. Four major categories were created: Development Capacity, Threat of Gentrification, Access to Transit, and Housing Burden/Economic Need. Within each category

are a series of quantitative metrics, and each metric is weighted by importance per category. Ultimately, each census tract is given a score from all these weighted metrics. The maximum possible score represents the healthiest neighborhood on the scale and thus would be less likely to need intervention with a policy tool. Census tracts that score lower in these different categories would flag to city officials the need to use policy tools in these specific regions.

While this neighborhood typology framework still needs to be tested through a robust mapping exercise, this provides a beginning draft of how to deploy this tool in the city of Charleston.



Image of the last session of Day one of the workshop leading into the Neighborhood Typology Framework Workshop (Day Two)

## METHODOLOGY FOR DETERMINING NEIGHBORHOOD TYPOLOGIES

MAX POINTS/ CATEGORY	DATA CATEGORY
30	<b>INDICATOR GROUP 1: DEVELOPMENT CAPACITY</b>
12	<b>HOUSING STOCK UTILIZATION</b>
	SEASONALITY
	VACANCY
	OWNER OCCUPANCY
	LOT TO PARCEL RATIO
5	<b>FLOODING</b>
5	<b>% VACANT LAND</b>
8	<b>COST/SF FOR CONSTRUCTION</b>
30	<b>INDICATOR GROUP 2: THREAT OF GENTRIFICATION</b>
6	<b>CHANGE IN MEDIAN HOUSEHOLD INCOME BETWEEN 2000-2016</b>
6	<b>CHANGE IN MEDIAN HOME VALUE BETWEEN 2000-2016</b>
6	<b>CHANGE IN EDUCATIONAL ATTAINMENT BETWEEN 2000-2016</b>
6	<b>CHANGE IN BLACK POPULATION BETWEEN 2000-2016</b>
6	<b>CHANGE IN WHITE POPULATION BETWEEN 2000-2016</b>
20	<b>INDICATOR GROUP 3: ACCESS TO TRANSIT</b>
8	<b>COMMUTING TIMES</b>
5	<b>HOUSEHOLD VEHICLES (OVER/UNDER CITY AVG)</b>
5	<b>COST OF TRANSIT</b>
2	<b>VICINITY TO PUBLIC TRANSIT</b>
20	<b>INDICATOR GROUP 4: HOUSING BURDEN + ECONOMIC NEED</b>
10	<b>HOUSING COST BURDEN</b>
5	<b>POVERTY</b>
5	<b>INCOME INEQUALITY</b>
100	<b>MAXIMUM POINTS POSSIBLE (THE HIGHER THE SCORE THE MORE HEALTHY THE NEIGHBORHOOD AND LESS LIKELY THE NEED FOR POLICY TOOLS)</b>



